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RIGHT HON. C. D. HOWE

Minister of Trade and Commerce

M. W. MACKENZIE

Deputy Minister

FOREIGN TRADE

OTTAWA, JULY 15, 1950

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COVER SUBJECT—Willemstad, Curaçao, capital of the Netherlands Antilles, whose principal source of income and employment is derived from the oil refining industry. Recent reductions in the production of petroleum in Venezuela have therefore directly affected the economy of Curaçao and Aruba, in which much of the crude oil from Venezuela is refined. Business is slack, and importers are presently purchasing on a short-term basis. A report on conditions in the Netherlands Antilles appears on page 101 of this issue of Foreign Trade.

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German Restrictions on Foreign Investment Are Being Relaxed

First step in detailed procedure of progressive relaxation of restrictions approved by Council of Allied High Commission—New procedure expected to contribute to economy recovery of the Federal Republic—Further measures to be introduced later—Convertibility in foreign exchange of capital or income from old or new investments not permitted.

FRANKFURT-AM-MAIN, June 15, 1950.—(FTS)—The Council of the Allied High Commission approved on June 15 a detailed procedure prepared by its financial advisers for the first stage in the progressive relaxation of the present restrictions on foreign investment in Germany. The formulation of this procedure, which is to be operated on a licensing system under the direction of the Allied Bank Commission and based on Military Government Laws No. 52 and No. 53, follows the approval in principle by the Council, on May 31, 1950, of the reopening of Germany to foreign investment. The new opportunities which are to be granted to foreign owners of property and funds in Germany, and to foreigners wishing to bring new capital into Germany, were the subject of discussions with the Federal Finance Minister on June 6, 1950, and with the representatives of the Benelux governments on June 9, 1950.

In deciding on the new procedure which, it is hoped, will contribute to the economic recovery of the Federal Republic, the High Commission has had to take into account a number of considerations of which the most important are the need to safeguard Germany's foreign exchange position, to prevent undue concentration of foreign capital in German industry and to provide equality of opportunity and treatment (for foreign investment made from blocked funds now held in Germany and new funds from abroad) as between existing foreign owners of property, pre-war creditors and new foreign investors and German investors.

Further Measures to be Introduced

Further measures of liberalization and relaxation will be introduced in the light of the experience gained in the operation of the present new procedure. However, it is not foreseen that convertibility in foreign exchange of capital or income from old or new investments will be permitted.

Following are full details of the foreign investment plan as outlined by the Allied High Commission:

(1) Foreign owners of Deutsche marks (DM) balances may utilize and dispose of such balances, including DM proceeds from settlements referred to in para. (6) below, as follows:

(i) Disbursements which are now or which may hereafter be permitted by general licences issued pursuant to M.G. Laws Nos. 52 and 53. General licences will be issued which will enable foreign owners to utilize and dispose of their DM balances subject to the same limitations as apply to German owners, but only in so far as foreign exchange control objectives of the Federal Republic are not contravened. In particular, the existing general licence for travel expense will be amended to permit the account owner to withdraw up to DM 75 per day per person to cover the travel

expenses in Germany for himself and members of his family provided the total of such withdrawals do not exceed DM 200 per day;

- (ii) Investments in real estate and in securities issued by public bodies and their agencies and securities publicly dealt in to be permitted in accordance with a general licence to be issued pursuant to M.G. Laws Nos. 52 and 53, which will provide that real estate and securities so acquired shall be subject to the provisions of such laws;
- (iii) Investments in private business enterprises and loans will be permitted in accordance with special licences to be issued on a case by case basis pursuant to M.G. Laws Nos. 52 and 53.

However, it is not intended that general licences issued pursuant to the above will permit, for example, transfers between foreigners, disbursements in the Federal Republic on behalf of third parties or the acquisition in the Federal Republic of movable property for export or hoarding.

Foreign Owners May Dispose of Property

(2) Foreign owners of real or other property in the Federal Republic of a non-monetary nature will be permitted in accordance with special licences to be issued on a case by case basis pursuant to M.G. Laws Nos. 52 and 53.

- (i) To dispose of such property subject to the same limitations which apply to German owners of similar property on condition that any DM or other proceeds accruing therefrom shall be paid into a blocked account in the name of the foreign owner, which may be utilized in the same manner as outlined in para. (1) above;
- (ii) To transfer title to any such property to other foreigners for foreign exchange considerations provided that such transfers are not for the purpose of avoiding foreign exchange control objectives of the Federal Republic and that such property was not acquired after the date of the lifting of the investment moratorium.

(3) Foreign owned or controlled business enterprises organized under German law and operating in the Federal Republic will be freed by way of a general licence from any restrictions under M.G. Laws Nos. 52 and 53 which do not affect the operations of German enterprises except for the control of investments to the extent set forth in para. 1(ii) and 1 (iii) above.

(4) Foreign persons will be permitted in accordance with special licences to be issued pursuant to M.G. Laws Nos. 52 and 53 to bring into the Federal Republic capital equipment, raw materials and semi-finished goods, engineering and other technical services for use in the Federal Republic subject to the same regulations as apply to German-owned properties on condition that any DM or other proceeds accruing therefrom shall be paid into a blocked account in the name of the foreign owner, which may be utilized in the same manner as outlined in para. (1) above.

(5) (i) The Bank Deutscher Laender will be authorized, under the supervision of the Allied High Commission or its designated agency, to sell Deutsche marks, at the current rate of exchange, against acceptable foreign currencies including those placed at the disposal of the Bank Deutscher Laender under existing payment agreements or pursuant to such subsequent payment arrangements as may be set up. Foreign exchange derived under this provision shall be held by the Bank Deutscher Laender subject to the same controls as other foreign exchange resources.

(ii) DM balances created or other assets acquired as a result of the foregoing, including income, shall be held subject to the provisions of M.G. Laws Nos. 52 and 53 and may be utilized in the same manner as outlined in para. (1) above.

Debts May be Settled in Deutsche Marks

(6) (i) Foreign owners of securities, claims or other obligations expressed in foreign currencies which represent debts of private persons, firms or corporations in the Federal Republic will be permitted in accordance with special licences to be issued pursuant to M.G. Laws Nos. 52, 53 and 63 to enter into voluntary agreements with the debtors for the settlement of such debts in DM provided that:

- (a) Such securities were issued or the claims or other obligations arose prior to September 1, 1939, and, except in the case of bonds, were held by the present owner on the date the lifting of the investment moratorium is announced.
- (b) Any DM received by the foreign owners as a result of any such settlements shall be paid into a blocked account in the name of the foreign owner, which may be utilized in the same manner as outlined in para. (1) above.
- (c) The security, claim or other obligation, if subject to the provisions of the Law for the Settlement of Matters Concerning Foreign Currency Securities (Validation Law) when enacted, shall have been duly validated pursuant to the provisions of such law.
- (d) It is established that all other foreign creditors of the German debtor involved have been given at least 60 days' notice of the proposed settlement by publication and by registered letter where possible; such notice to inform creditors that any objections to the proposed settlement must be registered with the designated licensing authority within the stipulated time. The licensing authority shall be empowered to withhold a settlement, when, in its opinion, a *prima facie* case of reasonable objection has been established by one or more creditors within the stipulated time on the ground that the proposed settlement would lead to a preference between creditors or to bankruptcy of or foreclosure proceeding against the debtor.

(ii) Public bodies and their agencies will be permitted in accordance with special licences issued pursuant to M.G. Laws Nos. 52 and 53, to enter into voluntary agreements with foreign owners of foreign currency claims to settle such claims in DM provided that such settlements can be made by the public body or agency thereof without impairing other obligations or causing additional borrowing and that the conditions set forth in sub-paras. (6)(i), (a), (b), (c) and (d) above are met,

(iii) As used herein, the term "Foreign owners" shall mean owners who are not residents of the area constituting "Das Deutsche Reich" as it existed on December 31, 1937.

It is not intended that the provisions of Section (A) above will result in unduly increasing foreign ownership in industry and commerce in the Federal Republic. Therefore, appropriate limitations may subsequently be imposed on the provision of Section (A) should determination be made that an undue proportion of industry and commerce in the Federal Republic would otherwise come under foreign ownership. Moreover, any licences issued pursuant to the provisions of Section (A) above shall provide that the parties to the transactions are not thereby exonerated from the requirements of full compliance with decartelization and deconcentration legislation in force in the Federal Republic.

Reduced Oil Output in Venezuela Affects the Netherlands Antilles

Large proportion of crude oil refined in Curaçao and Aruba—Business generally slack—Islands now buyers' market, with ample foreign exchange available—Local industry being stimulated—Shipping traffic declined—Tourist industry declines.

By C. S. Bissett, Canadian Government Trade Commissioner in Caracas

(One florin equals \$0.5833 Canadian)

CARACAS, May 5, 1950.—Recent reductions in the production of petroleum in Venezuela have directly affected the economy of Curaçao and Aruba, in which a large proportion of the crude oil from Venezuela is refined. The refinery at Curaçao has not been forced to make large staff reductions, but it has not replaced personnel retired or transferred. It is reported, however, that the main refinery at Aruba has recently reduced its staff substantially, and that more than twenty tankers plying between Maracaibo and Aruba have been taken out of service.

Curaçao and Aruba, located approximately forty miles off the north-east coast of Venezuela, are the only two islands of commercial importance in the group of six known as the Netherlands Antilles. The area and population of each are as follows:

	Area	Population
Curaçao	210	98,161
Aruba	69	53,544
Bonaire	95	5,011
St. Martin	17	1,568
St. Eustatius	7	1,125
Saba	5	921

As the oil refining industry is the principal source of income and employment in both islands, business generally in the past few months has been slack in comparison with the similar period of last year. Retail prices in the food and clothing fields have been declining and local importers are at present purchasing only their short-term requirements. Following the wave of currency devaluations last September, European exporters have been concentrating their sales efforts to an even greater degree than previously upon this territory, which has ample dollar resources, with the result that Curaçao and Aruba are now definite buyers' markets with selling terms becoming increasingly more liberal.

Dollar Exchange Freely Available

The existing financial agreement between the Netherlands Antilles and the British Treasury was extended for one year on September 7, 1949. By this agreement, all sterling earned locally and not required for payments in the sterling area is convertible into dollars. This has had the effect of providing the territory with ample supplies of dollar exchange with which to purchase its import requirements. The Netherlands Antilles decided against devaluing their currency at the time of the European currency devaluations last September because relatively little is actually produced on the islands and almost all food, clothing and other materials must be imported.

Lack of water and the unfavourable nature of the barren rocky soil has resulted in agriculture being little developed in the Leeward Islands group. The aloe plant, however, does grow profusely on the islands of Bonaire and Aruba, and a new factory to manufacture aloin, a derivate of this plant which is used extensively in the pharmaceutical industry, was recently established on the island of Aruba. It is hoped that this industry will absorb some of the surplus labour on that island.

The mining of rock phosphate is becoming increasingly important on the island of Curaçao. Latest production figures are for the year 1948 when some 92,384 metric tons were produced as compared with 80,000 tons in 1947. Most of this production was exported to the United States. Canada took about 11,000 tons in 1949. Some 335 workers are employed in this industry. On the island of Bonaire the salt industry experienced a poor year during 1949 as most of the Caribbean markets were shut off due to increased tariffs. Efforts are presently being made to develop new outlets and it is hoped that a demand for Bonaire salt may be developed in the Canadian east coast fishing industry.

A new local commercial fishing company has been formed in Curaçao to fish the waters surrounding the islands. A 175-ton motor vessel has been purchased and equipped with trawler nets capable of catching an estimated 40 tons of fish per month. This new venture is being watched with interest and, if successful, should prove a valuable addition to the islands' economy.

Difficulties in securing adequate supplies of raw materials compelled the local rice mill in Curaçao to cease operations in 1949. The First Curaçao Ready-Made Clothes Industry Limited experienced technical difficulties during 1949, but the owners expect to make substantial progress during the current year. The lemonade, soda water and ice factories had smaller turnovers in 1949 as a result of increased water prices. The new seawater distillation plant now under construction will undoubtedly reduce the importation of fresh water which is now necessary. The activities of the woodworking, concrete block-making and Curaçao liqueur industries continued at levels slightly below those prevailing in 1948.

Shipping Traffic Declined

The all-important tanker traffic to the ports of Curaçao and Aruba from Venezuela declined in 1949 to approximately the 1947 level, as is indicated in the following table:

Number of Tanker Arrivals

	Curaçao	Aruba
1945	4,685	5,410
1946	4,894	6,145
1947	5,603	6,933
1948	6,536	7,112
1949	5,446	5,710

Work on the new harbour installations, including warehouse and dock facilities, is continuing and dredging is being carried out in the Curaçao harbour to obtain a depth of 35 feet throughout.

Air traffic, which had been expanding rapidly since the war, continued to increase during the past year, largely as a result of the demand for freight carrying flights. The new Dakota airport terminal on the island of Aruba was officially opened in March of this year, which will facilitate greatly the handling of passenger and cargo traffic to and from this island.

The tourist industry, which has long been an important source of revenue to the islands, was not as active during the past year as in previous years, principally due to the decline in the number of passenger



Curaçao—Oil refineries, which handle a large proportion of the petroleum produced in Venezuela. Harbour facilities, including dredging, are being improved. The oil refining industry is the principal source of income.

ships calling at Curaçao. Efforts are being made by the local authorities to induce leading steamship lines to include Curaçao in the list of the ports of call of their Caribbean cruises. Plans are also being prepared for the construction of a luxurious 75-room hotel at Palm Beach, on the island of Aruba, in an effort to attract tourists to this island.

Foreign Trade of Curaçao and Aruba*

	Curaçao	Aruba (Florins)	Total
1948 Imports			
Provisions and liquors	31,382,630	16,773,007	48,155,637
Drygoods	22,107,415	8,046,697	30,154,112
Machinery, etc.	12,385,540	4,265,528	16,651,068
Oil products	288,362,384	390,934,681	679,297,065
Miscellaneous	68,550,012	33,829,063	102,379,075
Total	422,787,981	453,848,976	876,636,957
1948 Exports—			
Provisions and liquors	4,063,165	3,675,824	7,738,989
Drygoods	1,182,636	701,631	1,884,267
Machinery, etc.	313,762	188,195	501,957
Oil products	333,527,786	411,692,427	745,220,213
Miscellaneous	8,068,307	3,839,783	11,908,090
Total	347,155,656	420,097,860	767,253,216

*For a comparison with 1945-47, see *Foreign Trade*, August 13, 1949.

Principal Suppliers of Curaçao and Aruba, 1948

	Curaçao	Aruba (Florins)	Total
Venezuela	280,538,004	387,860,340	668,398,344
United States	70,027,353	53,908,255	123,835,608
Netherlands	18,302,461	2,528,061	20,830,522
United Kingdom	16,626,297	1,275,592	17,901,889
Belgium	2,852,293	709,999	3,562,292
Colombia	2,831,618	1,407,897	4,239,515
Argentina	2,621,889	1,370,274	3,992,163
CANADA	2,003,334	548,793	2,552,127
Dominican Republic	1,737,610	656,830	2,394,440
Total	397,540,859	450,166,041	847,706,900

The islands of Curaçao and Aruba are primarily price markets at the present time and are likely to remain so for some time to come. The past year has been characterized by an increase in imports from soft-currency areas largely as a result of European currency devaluations.

The Venezuelan share of the import trade is composed almost wholly of crude oil for refining. When deducted from the totals shown above a much more accurate idea of the possibilities of these islands for the sale of capital and consumption goods will be obtained.

Principal Imports into Curaçao and Aruba, 1948

	Curaçao Value in Curaçao Florins	Aruba
Bananas, fresh	1,314,494	423,138
Butter (natural)	1,228,386	539,372
Wheat flour	1,646,997	834,992
Milk, condensed, unsweetened	1,107,412	454,517
Vegetable, eatable, oils	1,026,816	446,253
Sugar, white	1,114,180	529,345
Gowns, women's, silk	2,067,294	572,919
Underwear, ladies, silk	1,689,575	377,970
Clothing, men's, silk	1,052,971	237,318
Cotton	1,487,922	738,338
Shirts, cotton	1,993,026	1,172,392
Silk	1,292,998	669,944
Electric lighting	1,739,759	478,618
Machines, n.m.s.	1,931,989	556,807
Machinery for oil refineries	2,653,109	206,350
Machines, etc., n.m.s.	2,264,460	1,386,960
Benzine, excluding crude	7,452,994	280
Crude oil	249,022,281	388,169,332
Lubricating oil	355,594	2,643,540
Fuel oil	28,389,415	43,947
Tubes, pipes and spare parts	3,123,434	3,042,454
Cement	1,138,069	850,351
Chemical products	5,997,471	1,543,885
Iron and steel, prepared	2,193,143	4,144,715
Cattle	1,144,819	914,663
Leather shoes	3,670,691	1,736,498
Paints, prepared	1,570,344	936,349
Airplanes and accessories	2,488,711	9,208

Canadian exports to the Netherlands Antilles in 1949 as shown by the Dominion Bureau of Statistics amounted to Canadian \$2,003,455 as compared with \$2,175,252 in 1948. The principal commodities in the 1949 shipments were as follows:

Canadian Exports to Netherlands Antilles

Potatoes, n.o.p. except seed	\$ 23,297
Flour of wheat	423,225
Whisky	39,970
Linseed and flaxseed oil	27,539
Cod, heavy salt	40,129
Sardines, little fish, canned	76,582
Salmon, pink, canned	49,289
Salmon, chum, canned	66,316
Pork, fresh	27,723
Canned meat, n.o.p.	179,781
Butter	30,954
Milk, evaporated	73,221
Rubber hose	40,289
Pneumatic tires for trucks, buses	46,272
Boots, shoes, leather uppers, n.o.p.	22,027
Planks, boards, Douglas fir	59,773
Planks, boards, pine	35,568
Plywood, softwood	21,353
Newsprint paper	21,997
Wrapping paper, n.o.p.	20,788
Furniture of wood	31,446
Machinery and parts, n.o.p.	94,127
Automobiles, passenger, new, over \$1,000	28,537
Medicinal preparations	36,155

Scottish Iron and Steel Output Highest on Record Last Year

Production of pig iron 8 per cent and of crude steel 15 per cent of total in United Kingdom—Tonnage of ships built and repaired was greater, but some concern for the future is felt, as postwar program of reconversion nearly complete—Many new light industries commenced operations.

By J. L. Mutter, Canadian Government Trade Commissioner

GLASGOW, June 9, 1950.—Iron and steel production, shipbuilding, marine and general engineering are the leading industries of Scotland, the prosperity of whose people depends to a large extent on the measure of progress achieved by these industries. The output of iron and steel was higher last year than ever before, but some anxiety has been felt with respect to the future of shipbuilding and ship repairing. Most yards have fairly good orders for ships, but the postwar program of reconversion and extensive repairs has been virtually completed. Consequently, there has been a reduction in the labour force engaged in ship repairing, though most of the men discharged have been absorbed by kindred industries.

Coal production was slightly higher than in 1948, but was short of the target figure of 25,000,000 by some 1,140,000 tons. One of the principal problems confronting the Scottish Division of the National Coal Board arises from the exhaustion of many pits in Lanarkshire and the necessity for transferring miners and their families to new coal fields in Ayrshire, Fife and the Lothians.

Despite a remarkably dry summer last year, agriculture prospered. The output of Scottish farms during the crop year ended May 31 was estimated at £ 108,000,000, compared with £ 101,000,000 during the 1948 crop year. Fish landings at Scottish ports were somewhat less than in 1948, on the other hand, though the catch of whitefish was still higher than before the war.

One of the brightest passages in a report recently published by the Scottish Home Department, and entitled "Industry and Employment in Scotland, 1949", relates to the introduction of new forms of manufacture in this country. The efforts to develop new industries, which began before the war and continued during the war, are now showing results. Further progress was made in 1949, new employment having been provided outside Scotland's traditional heavy industries. The number of workers employed in industrial projects maturing since 1937 increased by 21,000 last year, and new projects now being developed are expected to provide 51,000 additional jobs.

Employment Reaches Record Level

Employment generally was well maintained, rising during the past year by 24,000 to a record of 2,076,000. The employment of older and less fit men in parts of the Scottish Development Area continued to be a serious problem, some 67,900 being out of work last December. Despite this unemployment condition, there were demands for labour in certain regions, such as Dundee, Kilmarnock and Vale of Leven, which could not be met, housing shortages having hampered the transfer of workers. Housebuilding, the key to redeployment of labour, was roughly one-third slower than the prewar construction figure.

Crop yields were generally above average, though the area under cultivation declined by 76,000 acres, from 1,847,000 acres in 1948 to 1,777,000 acres in 1949. The livestock population, apart from horses, showed a fairly substantial increase, as follows:

	1948	1949
Cattle	1,499,000	1,589,000
Sheep	6,731,000	7,103,000
Horses	97,000	87,000
Pigs	184,000	232,000
Poultry	9,285,000	10,006,000

Yields per acre for the principal cereal crops, and potatoes, were as follows:—

	Yield per acre			
	1939	1948	1949	
Barley	cwts.	19.1	20.2	21.8
Oats	cwts.	15.8	17.0	17.1
Wheat	cwts.	21.8	21.5	23.1
Potatoes	tons	7.7	7.5	7.5

Milk output increased by 8 per cent over 1948-49 to 215 million gallons. There were also satisfactory increases in the output of mutton, pork and eggs, and a small increase in beef.

Farm labour supply was generally adequate throughout the year, although there was a shortage of dairy workers and shepherds. The exceptionally good harvesting conditions permitted grain and potato crops to be gathered in record time. Home production of agricultural machinery and parts, augmented by oversea firms established in this country, is now meeting the bulk of the requirements of farmers.

Landings of Fish by British Vessels at Scottish Ports

	1938	1948	1949
		(Cwts.)	
White fish	2,504,245	3,356,703	3,159,566
Herring	2,800,610	2,913,163	2,590,127
Other pelagic fish	75,707	136,760	109,251
Shell fish	84,044	82,687	74,481

The Scottish fishing fleet was manned in 1949 by 17,066 fishermen, of whom 3,505 were crofter fishermen and 1,573 were, for various reasons, engaged only part time as fishermen.

Scottish Fishing Fleet

	1938	1948	1949
		(Number)	
Steam trawlers and liners	346	259	260
Steam drifters	402	228	212
Motor boats over 45 ft. keel	276	505	582
Sailing boats over 45 ft. keel	6	2	1
Small boats	4,037	4,303	4,339

Output of Coal Increased

The output of salable deep-mined coal in Scotland increased from 23,734,000 tons in 1948 to 23,860,000 tons in 1949. Scotland's share of total British coal production declined from 12 per cent in 1948 to 11.8 per cent in 1949. At the end of 1948 the number of wage earners on colliery books was 83,000; in March it was 83,390 but by December, 1949, it had decreased to 81,664. Among all grades of workers, absenteeism from all causes rose from 9.5 per cent in 1948 to 10.5 per cent in 1949, and among face workers from 11 per cent to 12.5 per cent. Voluntary absenteeism among all grades of workers rose from 4.85 to 5.05 per cent, and among face workers from 5.75 to 6.09 per cent. The estimated loss of production due to unofficial disputes increased from 198,500 tons in 1948 to over 275,400 tons in 1949.

Output per man shift increased slightly from 22.39 cwt. in 1948 to 22.41 cwts but output per man shift at the coal face declined from 53.18 to 52.71 cwts. Exports of Scottish coal fell from 1,294,000 tons in 1948 to 1,249,000. The best customers were Denmark and the Irish Republic.

Scottish production of all kinds of pig iron again increased and amounted to 8.1 per cent of the total United Kingdom production. The output of the steel furnaces continued to provide just over 15 per cent of the total production of crude steel in the United Kingdom and shows a steady rise—1.88 million tons in 1947, 2.25 million tons in 1948, and 2.38 million tons in 1949.

Pig Iron and Steel Production in Scotland

	1938	1948 ('000 tons)	1949
Pig iron (including blast furnace ferro-alloys) ...	409.3	765.7	768.6
Of which—Basic	70.6	579.4	567.7
Hematite	202.1	37.0	41.4
Foundry	130.6	149.3	159.3
Forge	6.0	Nil	Nil
Steel ingots and metals for casting	1,601.4	2,253.9	2,381.8
Heavy and medium plates (including armour plate)	468.7	582.3	633.2

Output of Scottish Shipyards Increased

The United Kingdom output of new merchant ships in 1949 was again greater than in the previous year, and nearly 38 per cent of it, totalling 513,446 tons, was turned out from Scottish yards. This was the first year since the war in which Scottish shipbuilders completed more than half a million gross registered tons. Cargo motor ships and cargo steamers accounted for about half of this total, but the largest ship completed was the *Rangitane*, a passenger cargo liner of 22,000 gross tons. Completions of tankers increased from 71,000 gross tons in 1948 to 108,000 gross tons and the completion of colliers, dredgers, trawlers, whalers, tugs, river and lake steamers and a variety of small vessels reflected the versatility of the Scottish yards.

About 27 per cent of the tonnage completed in Scotland was for overseas owners principally in Commonwealth countries and Norway. The proportion of tankers to the total tonnage on order or under construction in Scotland increased during 1949 from 38 to 44 per cent.

The tonnage of new orders placed in 1949 was less than in previous years and, as the rate of completions was higher, the tonnage on order or under construction fell from the peak figure of 1,535,000 gross tons on January 1, 1949, to 1,148,000 gross tons at the beginning of 1950. Four million gross tons of shipping, about the same tonnage as in 1948, were repaired, converted, or reconverted in Scottish yards. Reconversion completed during 1949 included six passenger liners released from service as troopships. At the end of the year the number of workers employed in Scottish yards on shipbuilding and ship repairing was about 41,000. Employment on new construction declined only slightly during the year, but the labour force engaged in ship repairing was reduced from 16,000 to 12,000.

Conditions of Engineering Industry Generally Favourable

Production and employment in most sections of the engineering industry were well maintained throughout 1949, although there were cases where foreign orders were cancelled or postponed because of the

inability of customers to obtain import licences. There also were problems arising out of the shortage of skilled men and the inadequate number of apprentices entering the engineering trades. In the heavy section of this field, which covers drop-forgings, machine tools, marine equipment, tubes and oilfield equipment, railway equipment (including locomotives), engines and vehicles, and power station plant, keener competition from foreign countries, notably Germany, was observed during the year. Some orders were lost to other countries able to quote lower prices and, inevitably, Scottish firms in the trades concerned experienced less active conditions than in 1948. Nevertheless, some very substantial repeat contracts were booked despite intense international competition. This reflected continued overseas confidence in the efficiency and reliability of Scottish engineering products and assures a high level of employment for skilled labour for a considerable period ahead.

During 1949 supplies of yarn for the textile industry became very much easier, permitting the release from government control of the distribution of woollen and worsted yarn, except woollen spun cashmere. The jute industry, however, continued to be hampered by the uncertainty of supplies of raw jute.

The continuing acute shortage of women workers was the most important factor restricting the output of clothing manufacturers. This condition undoubtedly limited the substantial contribution to the nation's dollar earnings which the hosiery and knitwear section of the industry is making, notably those firms located in the Hawick area who have been shipping about 80 per cent of their production to the hard-currency markets.

Tweed manufacturers in the border area reported a slight decrease in the volume of new business obtained during the year. Devaluation gave an impetus to their exports to the United States, but much of the price advantage so gained was subsequently offset by the steep increase in the price of wool and the future outlook is uncertain.

Carpet and linoleum manufacturers experienced greater difficulty in selling to overseas markets during 1949 due to the increasing stringency of import licensing in many countries. The South African market, for example, was virtually closed to them. They also complained of shortages of suitable labour.

Many New Industries Commenced Production

During 1949, seventy-three new tenants took over factory space of two million square feet provided by Scottish Industrial Estates Limited in the Scottish development area. Many new light industries started the manufacture on both trading estates and private sites of such products as combine harvesters, tractors, typewriters, spectacle lenses, cotton and rayon articles, clothing, scientific instruments, metal windows, pigments, industrial switchgear and factory handling equipment. Several of the new factories are producing goods previously imported from hard-currency sources, and when working to capacity, not only should effect a considerable saving in dollar imports, but by pursuing a vigorous export policy, should increase dollar earnings.

A notable trend since the war has been the growing number of new undertakings of United States and Canadian origin attracted to the Scottish development area. Sixteen factories occupied by American companies, and two by Canadian concerns are now in operation. As a result of the visit, last November, to the United States and Canada of a

delegation from the Scottish Council (Development and Industry), several more, specializing in the manufacture of chemicals and light engineering products are expected to commence activities in this country.

The volume of United Kingdom exports in 1949 was about 10 per cent greater than in 1948. Devaluation provided an increased opportunity for exports to dollar areas, and some immediate results of the step were visible in the last quarter of the year. Many Scottish manufacturers responded at once to the opportunities and problems presented by the changed circumstances.

Contribution to Dollar Exports Remained at High Level

The general pattern of Scottish exports was largely the same as in 1948, and Scotland's contribution to dollar exports remained at a high level. The most important United Kingdom dollar exports included woven woollen and worsted piece-goods, whisky, new cars and machinery. In the whole field of exports from the United Kingdom the most important groups embraced vehicles (including locomotives, ships and aircraft), machinery, cotton, iron and steel, and woollens and worsteds. Scottish production of some of these commodities is particularly strong, and while full details of Scottish exports are not available,* there can be no doubt of the importance of the part which they play in the export drive. Many examples could be quoted to substantiate this claim, but the few which follow will suffice.

The Scottish output of steam locomotives rose a little in 1949, and one firm alone produced 42·7 per cent of the locomotives built by private firms in the United Kingdom and exported 72 per cent of them. Sugar machinery manufacturers, another valuable exporting group had a record output for the year valued at approximately £3,000,000, or three-quarters of the United Kingdom total. The only Scottish manufacturers of road vehicles increased their production of commercial and public service vehicles and exported 45 per cent of it. During the first ten months of the year a firm manufacturing sewing machines were exporting from their Scottish plant to North America at an annual rate of over £1,000,000, compared with exports of £305,000 in 1948. One firm in Dundee, making domestic refrigerators, exported over two-thirds of their production, of which 90 per cent went to Canada.

The woollen group, including knitwear and carpets, was probably the second best Scottish dollar exporter after whisky. Scottish manufacturers of high quality knitted wear in the borders and elsewhere continued to make an outstanding contribution to dollar exports. The value of carpets exported during the year rose by £130,000 to £2,870,000, representing nearly 30 per cent of all carpets exported from the United Kingdom.

Exports of whisky, practically all of which is distilled in Scotland amounted in 1949 to 8,521,000 gallons valued at £18,738,000. This was 626,000 gallons more than in 1948, and 1,750,000 gallons more than in 1947 and represented almost 90 per cent of total United Kingdom exports of spirits. Roughly 70 per cent of the whisky exported in 1949 went to the United States and to Canada.

* On May 26, the Secretary of State for Scotland announced in the House of Commons the government's decision to set up a committee to report on the practicability of determining the financial and economic relationship between Scotland and the remainder of the United Kingdom. The committee's terms of reference are, *inter alia*, "to consider the practicability of making a return of Scotland's share in the imports and exports, visible and invisible, of the United Kingdom; Scotland's imports from, the exports to, and balance of payments with other countries, including the rest of the United Kingdom."

Service by Indian State Railways Greatly Improved in Past Year

Transport bottleneck eliminated as material improvements made—Normal freight traffic restored to all railways with one exception—Large number of locomotives due to be delivered this year—New plant should make country self-sufficient in locomotives, except for minor parts—Reasonably high standard of shipping services provided.

By Richard Grew, Commercial Secretary for Canada

(Editor's Note—This report was prepared by Mr. Grew prior to his departure for Canada on tour.)

NEW DELHI.—Considerable progress was achieved last year in all operational branches of the Indian State Railways, which have recovered substantially since partition. At that time, 6,658 miles of railway, of the then total of 31,533 miles, passed under the supervision of Pakistan. Passenger traffic, freight traffic, the disposal of claims for compensation and the provision of amenities for passengers have registered such material improvements that the term "transport bottleneck" is now a thing of the past. Commencing last November, it was considered no longer necessary to maintain the system of priorities, which formerly controlled the movements of raw materials and finished products, and normal freight traffic has been restored to all railways with one exception.

How far the position regarding movement of basic and essential commodities has improved is evident from the fact that, compared with the figures for a similar period in the previous year, the increase in tonnage moved was from 3,632 to 5,482 in the case of sugar, from 5,704 to 8,259 in the case of iron and steel, from 1,715 to 2,364 in the case of textile goods, and from 3,012 to 5,959 in the case of cement. The amount of traffic waiting for wagons from the middle of the year was just one-third of what it was a year ago, and on most railways it is now scarcely equal to two days' loading capacity.

In the case of passenger trains, punctuality has been restored to at least 80 per cent, while the number of such trains is being gradually increased. Further orders were placed in the United States, Canada and Great Britain for a large number of locomotives. During the period March, 1949, to March, 1950, a total of 337 broad-gauge and 170 metre-gauge locomotives are due for delivery. Meanwhile, efforts are being made to complete the Chittaranjan Locomotive Works at Mihijam, near Asansol, so as to start manufacturing components in 1950 and complete locomotives in 1951. These works are designed to manufacture 120 locomotives and 50 additional boilers a year, and, including the output from another locomotive workshop, should make India self-sufficient, except for minor parts, in the matter of locomotives. Passenger coaches for the Indian railways are being manufactured in the country.

In January, 1949, the authorities introduced a four-class passenger system in place of the three-class system then existing. This gave rise to considerable adverse criticism, and is said to have cost the government Rs.25,000,000 before the administration finally reverted back to the three-class system from December 1st last.



India—The S.S. Jala Usha, a vessel of 8,000 deadweight tons, was launched in 1948 by Prime Minister Nehru, and is the first ship of this character to be built in India.

Photo by Indian Information Bureau.

Among the major provinces which have been paying some attention to road development, Bombay and Madras stand out. In Bombay Province, for example, 21 roads, one major bridge and three footbridges have been completed recently as part of the provincial government's ambitious five-year program of road and bridge construction, for which a total amount of Rs.108,900,000 has been sanctioned. The entire scheme envisages the construction of 180,286 miles of roads and 62 bridges throughout the province. In addition, the provincial government have completed the survey of 239 roads and bridges, drawn up plans and estimates for 218, and actually started 99 of them.

The Madras Government's record in road development also appears to be good, having so far sanctioned about 2,000 capital works (costing over Rs.10,000 each), including 419 bridges, 125 schemes of improved surfacing for about 534 miles of roads, and the construction of 1,191 miles of new roads. An expenditure of about Rs.16,100,000 had been incurred on these works up to the end of June, 1949.

The Bihar Government is considering a proposal for an estimated expenditure of Rs.188,300,000 on roads in the province under direct government management during the next three years. It is intended to construct 1,175 miles of provincial highways at a cost of Rs.95,600,000, 726 miles of major district roads at a cost of Rs.54,200,000, and 218 miles of minor and village roads, at a cost of Rs.18,400,000.

Better Shipping Services Provided

During the past year, Indian shipping companies have succeeded to some extent in providing services of a reasonably high standard. Regular services are being maintained between this country and Europe and North

America. In the India-Australia line, two recently purchased ships are being employed for trading on government account. An Indian company, sponsored by the Madras Government, is now operating its services between Tuticorin and Colombo.

In order to co-ordinate the execution of the government's shipping policy, formerly entrusted to several small departments, a separate Directorate of Shipping, under the Ministry of Commerce, was set up in Bombay in June, 1949. From now on, the Commerce Ministry is only concerned with policy and legislative work.

A notable event in the past twelve months was the "freight war" in the India-United Kingdom-Continent trade. Begun in March, 1949, owing to certain differences about the sharing of trade between the Dutch lines and the rest of the members of the Shipping Conference concerned, it resulted in several weeks of drastic rate-cutting, each party trying to undercut the other. A settlement, declaring a truce, was reached in May after a heated conference in London.

The government has already declared its policy to increase progressively the share of Indian shipping in the coastal trade, and ultimately to reserve this trade exclusively for Indian ships. A proposal is under consideration for the acquisition of a fleet of 5,000-ton ships suitable for coastal trade, which may be made over to small companies for operation either on their own account or on government account on a commission basis. At present the coastal trade of the country is largely carried on by unorganized groups and individuals operating sailing vessels of a rather primitive type.

Seven Air Transport Companies Operating

There are at present seven Indian air transport companies, operating 27 internal scheduled services covering an unduplicated route of 19,060 miles. Thirty-nine towns in various parts of India are connected by air, the more important having daily services. In spite of this expansion, the majority of Indian commercial aviation companies are working at a loss. In order to assist the companies in reducing their operation costs, a subsidy of nine annas in the customs duty on aviation petrol has been granted by the government in the current fiscal year. This subsidy is stated to amount to Rs.4,500,000. The heavy price of petrol forms a great part of the operating costs of Indian airlines, and it can be said that the cost per gallon of aviation spirit in India is possibly the highest in the world, being nearly four times the price obtaining in the United States. Until this price is brought down considerably, it is not possible to reduce the air fares, which now vary between $3\frac{1}{2}$ annas and 4 annas per mile, against upper-class railway fares of 2 annas per mile.

The introduction of the "all-up" mail scheme under which all letters are carried by air is claimed to be another measure taken to assist the air companies. According to official statistics, the amount of mail conveyed by air shows a rise from 145,000 pounds to 487,000 pounds since April, 1949, and the revenue expected to accrue to the airlines after a year's working, is estimated at Rs.6,500,000. During the past year, four companies are reported to have made profits, but the losses suffered by some amount from Rs.700,000 to Rs.800,000, and one company went into liquidation.

Notwithstanding these difficulties, Indian aviation is rapidly entering the arena of international aviation. June, 1948, saw the commencement of the service to the United Kingdom by an Indian airline, and in April, 1949, a service was started to China. Preliminary arrangements are complete for inaugurating a service to Australia and the Far East.

Diamond Mining and Cutting Industry In Brazil Shows Steady Decline

Brazilian diamond production has declined since discovery of the South African deposits—Production increased during World War 2, but fell again when war ended—Diamond trade suffers from interference of many intermediaries.

By D. W. Jackson, Commercial Secretary for Canada

(One cruzeiro equals \$.0598 Canadian)

RIO DE JANEIRO, May 27, 1950.—Brazilian diamond production, the world's highest from 1729 to 1870, declined steadily since the discovery in South Africa of the world's richest diamond deposits. Today Brazil's output totals around 100,000 carats per annum. The downward trend was particularly marked in 1948 and 1949. The domestic market absorbed 205,132 carats of rough diamonds, valued at Cr\$72,071,777, in 1948; and 117,908 carats, valued at Cr\$45,117,277 in 1949, a decrease in quantity of 40 per cent, and in value of almost 38 per cent. The three known varieties of diamonds are found in Brazil: the typical, formed by transparent crystallized carbon; the bort, spherical and of shiny structure used for the manufacture of precious gems; and the carbonated, or black diamond, found largely in the state of Bahia and used for industrial purposes.

Available statistics on production and cutting of diamonds in Brazil are not precise and are at times even contradictory. In the early days particularly, fraudulent interests concealed part of the production and smuggled it out of the country as contraband. It has been estimated, however, that from 1729 up to the present time Brazil has produced in the neighbourhood of 15,000,000 carats. Generally speaking, Brazilian production has varied considerably from year to year as a result of international demand and market conditions. In 1924, for example, production had diminished to 15,000 carats, following the tendency of decreased output by the larger producing countries. The year 1928 saw the volume increased to 190,000 carats.

Prices Declined Violently in 1929

The excessive increase of world production and the abrupt recession of consumer markets, following the crisis of 1929, caused a violent price decline from 113 to 39.6 shillings per carat. A corresponding decline in global production accompanied the descending price levels. During the year 1932, Brazilian production barely attained 37,000 carats. With the outbreak of the second world war, Brazilian production increased to an average of 300,000 carats annually. The end of the war resulted in another diminution in the industry.

Brazilian Diamond Industry

	Domestic consumption				Exports			
	Carats		Value (Cr\$1,000)		Carats		Value (Cr\$1,000)	
	1948	1949	1948	1949	1948	1949	1948	1949
Rough diamonds	205,132	117,908	72,072	45,117	83,540	35,850	25,217	12,544
Carbons	24,654	15,366	5,625	2,321	17,800	10,996	4,418	1,698

It has been estimated that in 1939 there were 37,000 persons employed in the diamond-cutting industry in the world. Of these, about 25,000 were located in Antwerp; 6,000 in Amsterdam; 4,000 in various German cities; and the rest in London and other capital cities. Prior to the German

invasion of Belgium and Holland, many diamond cutters had already fled to London, New York and Rio de Janeiro. It was then that Brazil's stone-cutting industry had its real inception. There were already three gem-cutting establishments in Diamantaina, in the State of Minas Gerais, but the local cutters were unable to create an industry capable of resisting the influence of the large organizations of Antwerp and Amsterdam. With the influx of European cutters to Brazil, and the increased demand from the United States market, many gem cutting workshops sprang up, eventually numbering 860, including those specializing in the cutting of coloured stones. This hastily established industry, employing workmen without adequate technical skill, was unable to offer a satisfactory quality of the stonemason's art. When the war ended, the majority of the European cutters preferred to return to their own countries. At the present time in Brazil there are no more than 50 cutters and polishers of precious gems, of whom about 29 work in diamonds.

Prospector Has No Protection Under Mining Code

The Brazilian diamond trade operates under unfavourable conditions, characterized by the interference of many intermediaries. The diamond prospector has no protection under the Mining Code. In spite of the law, stipulating that the prospector receive the full value, less 10 per cent, of any diamonds found, the owner of the property invariably demands and obtains 10 per cent for himself. Bootleg buyers visit the diamond deposits and buy the stones at source and sell them to agents in the cities who negotiate their sale to the actual cutters. These transactions greatly increase the price, reduce the margin of profit to a minimum and, at the same time, stimulate the contraband trade.

At the outbreak of the war, the United States consumed about 75 per cent of the diamonds and precious stones produced in the world. The war closed traditional sources of supply and United States importers were obliged to turn to Brazil, which had never been a major exporter until that time. By 1943, the Brazilian diamond sales amounted to roughly Cr\$180,000,000, as compared with Cr\$40,000,000 in 1939. From 1943 to the end of the war, sales continually declined. By 1945 exports to the United States had dropped to 8,580 grams and during 1949 had decreased to 84 grams. One of the reasons which contributed to the decline in diamond exports was the abolition, in 1942, of the special exchange tax. Beginning in 1942, the *modus operandi* of diamond exports took the following form. The American importer deposited dollars, corresponding to the value acquired, to the account of the Bank of Brazil in the United States. The Bank of Brazil retained the dollars, making eventual payments after 120 days to the Brazilian exporter (in cruzeiros) at the official exchange rate of 18.72 cruzeiros to the dollar. This delayed process was unsatisfactory to the exporters. At the same time, the United States importer complained of advance payment for merchandise which frequently was found to have imperfections and differences in weight.

Few businessmen were affected so greatly by the war as the diamond merchant. At the beginning of the war, the export price of a gram of diamonds was Cr\$982, while in previous years the price had never attained Cr\$700. Prices advanced by leaps and bounds, reaching the peak in 1945 at Cr\$6,766 per gram. At the end of the war, the price dropped immediately to Cr\$4,948 in 1946, to Cr\$1,827 in 1947, and finally, to Cr\$1,474 in 1949. As was natural, prices on the domestic market followed the same pattern. A diamond of the type known as "Fazenda fina (extra)" cost Cr\$1,100 per carat in 1945, but did not command more than Cr\$650 in 1949. This sharp drop in price, accompanied by a diminution of exports, provoked an upset in the diamond industry from which it has not yet recovered.

The large diamond-producing firms in the world have made efforts to control prices and stabilize the market. It is estimated that during the year 1948 the value of the world's diamond sales reached the figure of 38 million pounds sterling. The total imports into the United States for the first nine months of 1949 were only 664,000 carats, valued at 46.2 million dollars, as compared with 959,000 carats in 1948 valued at 78.8 million dollars.

Demand for Diamonds Increased After Devaluation

Following the devaluation of the pound in September, 1949, the demand for diamonds increased, especially for better quality stones. This increased demand has been influenced by those persons who wished to invest their capital in diamonds. The market in rough diamonds is about double in quantity and importance as that of polished stones. The market for industrial diamonds remained relatively firm during the periods of fluctuation, and since 1928 has actually increased 100 per cent in price. After the devaluation of the pound, industrial diamond quotations advanced 25 per cent to 30 per cent. However, the stocks on the market sold at lower prices, representing an actual increase of 10 per cent to 15 per cent. In general, polished diamonds, a luxury product, will suffer more rapidly, and with greater intensity, from the effects of any economic recession in the United States than will industrial diamonds.

Many Brazilians feel that sweeping revisions to the laws governing diamond mining and the export of the stones are essential. Without such changes, it is feared that Brazil will lose her overseas markets, the contraband trade will be intensified, and the internal market able to absorb only a small percentage of domestic production.

New Prices for Portland Cement, Iron and Steel Products in Spain

Madrid, April 29, 1950.—(FTS)—New prices for iron and steel products and Portland cement were approved at the last cabinet meeting of the Spanish Government. No details were given, but the Spanish newspaper *Informaciones* reports that it would seem the changes amount to 35-40 per cent upward, and that the new prices have already gone into effect.

New Zealand Seeks Electrical Equipment

Wellington, July 4, 1950.—(FTS)—The New Zealand State Hydro-Electric Department invites Canadian tenders on the following contracts for electrical equipment:

Contract 153—Two 30,000 kVA synchronous condensers for Islington Substation. (Closing date, November 21, 1950.)

Contract 153—Two 50,000 kVA 220/66/11kV transformer banks and spare unit for Islington Substation. (Closing date, October 10, 1950.)

Contract 155—One 10,000 kVA 110/11kV T.C.O.L. transformer and spare unit for Edgecumbe Substation. (Closing date, October 3, 1950.)

Tenders for these contracts close with the Secretary, Tenders Committee, State Hydro-Electric Department, Wellington, New Zealand, at 4.00 p.m. on the dates indicated.

(Editor's Note—Interested Canadian manufacturers may obtain specifications for this equipment from Mr. J. A. Malcolm, New Zealand Government Trade Commissioner, Sun Life Building, Montreal, Quebec.)

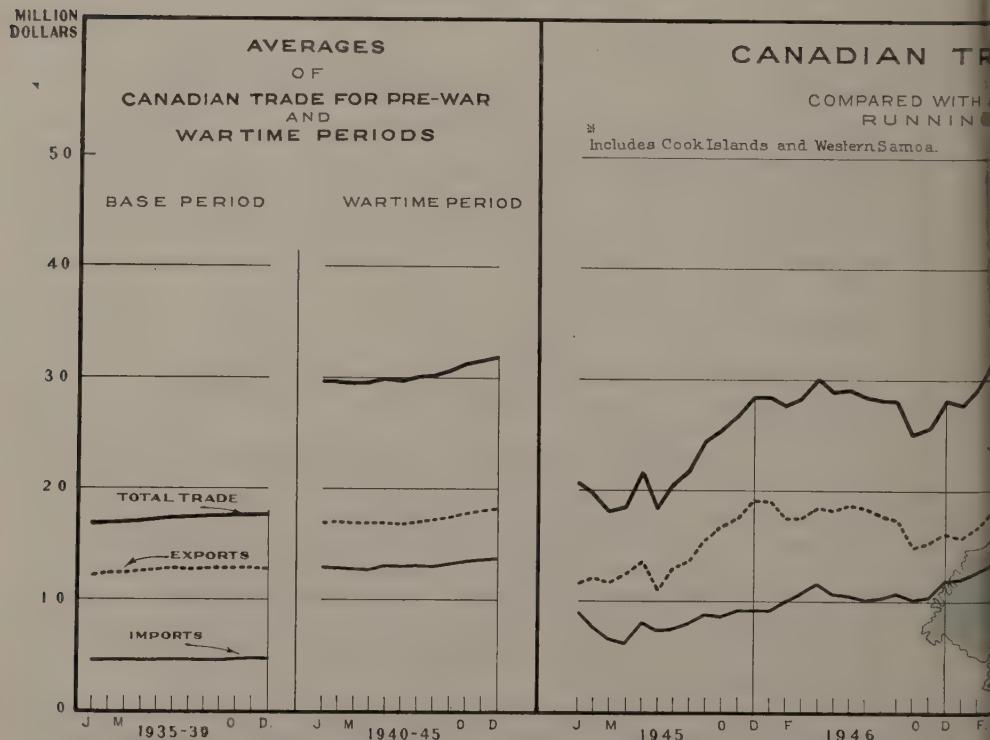
CANADIAN TRADE WITH N

IMPORTS

Commodity	1938		1948		1949	
	Value \$'000	Per cent	Value \$'000	Per cent	Value \$'000	Per cent
Agricultural and Vegetable Products.....	250	5.5	222	1.9	962	10.8
Animals and Animal Products.....	2,677	58.7	4,518	38.9	1,557	17.5
Fibres, Textiles and Textile Products.....	1,608	35.2	6,703	57.8	6,289	70.6
Wood, Wood Products and Paper.....	1	2	3	2	2	2
Iron and Its Products.....	1	2	39	0.3	17	0.2
Non-Ferrous Metals and Products.....	1	2	.....	.....	.....	.....
Non-Metallic Minerals and Products.....	.....	.....	.....	.....	.....	.....
Chemicals and Allied Products.....	1	2	10	0.1	15	0.2
Miscellaneous Commodities.....	24	0.5	110	1.0	68	0.8
Total.....	4,562	100.0	11,603	100.0	8,910	100.0

¹ Less than \$1,000.

² Less than one-tenth of one per cent.



NEW ZEALAND, BY COMMODITIES

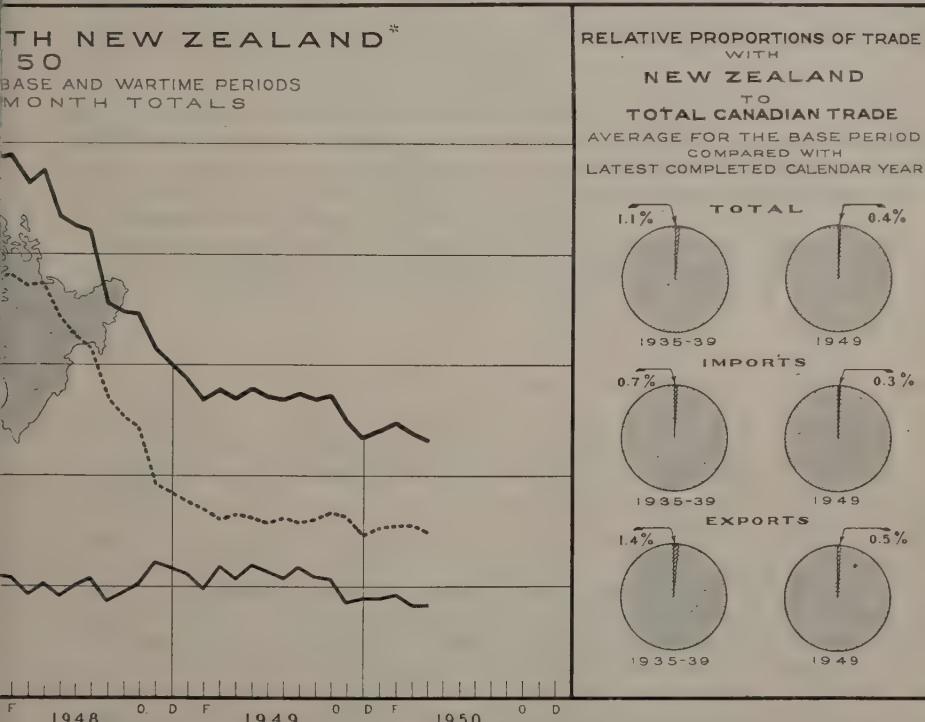
EXPORTS

Commodity	1938		1948		1949	
	Value \$'000	Per cent	Value \$'000	Per cent	Value \$'000	Per cent
Agricultural and Vegetable Products...	2,591	15.8	2,136	11.6	1,109	7.7
Animals and Animal Products.....	823	5.0	260	1.4	208	1.4
Fibres, Textiles and Textile Products...	1,155	7.1	805	4.4	263	1.8
Wood, Wood Products and Paper.....	2,457	15.0	6,156	33.5	4,977	34.4
Iron and Its Products.....	7,619	46.5	4,394	23.9	5,398	37.3
Non-Ferrous Metals and Products.....	997	6.1	3,008	16.4	1,463	10.1
Non-Metallic Minerals and Products.....	158	1.0	398	2.2	423	2.9
Chemicals and Allied Products.....	222	1.4	923	5.0	413	2.9
Miscellaneous Commodities.....	349	2.1	295	1.6	234	1.6
Total.....	16,371	100.0	18,375	100.0	14,489	100.0

¹ Less than \$1,000.

² Less than one-tenth of one per cent.

Prepared by Dominion Bureau of Statistics



Philippine Mineral Production Greatly Increased Last Year

Output was 58 per cent higher than in previous year but just over half the value of the 1940 production—An increase of 50 per cent in production expected during 1950—Output of base metals was almost double the 1948 figure.

By W. D. Wallace, Assistant Canadian Government Trade Commissioner

(One peso equals \$0.55 Canadian)

MANILA, May 22, 1950.—Mineral production in the Philippines during 1949 was 58 per cent higher than in 1948, reaching a value of 59,135,168 pesos as compared with 37,293,121 pesos in the previous year. However, the output was just over half of the total value of the 1940 production which amounted to 92,832,911 pesos. Gold and silver accounted for 25,375,000 pesos of the total output in 1949, other metallic minerals for 16,883,000 pesos and non-metallic minerals for 16,877,000. Corresponding values for 1948 were gold and silver, 14,516,000 pesos; other metallic minerals, 8,451,000 pesos; and non-metallic minerals, 5,802,000 pesos.

It is estimated that production of minerals in 1950 will increase about 50 per cent over the 1949 output. The principal reasons put forward for the increase are the progress of work, expansion of milling capacity of some of the mines, and current plans of rehabilitation work planned by the mines that have already received part payment of their war damage claims. Several prewar producers expect to re-open their mines this year. In addition, geologists and mining engineers are expected to carry out further exploration work in the fields during 1950.

During 1949, the production of gold amounted to 287,844 ounces valued at 25,066,694 pesos, as compared with 209,225 ounces at 14,300,654 pesos in 1948, but was far below the 1940 output of 1,110,262 ounces valued at 76,834,426 pesos. However, there were only nine mines operating in the past year as against 48 mines of which 29 were major producers. Similarly, silver production increased in the past year and amounted to 218,419 ounces at 308,374 pesos as compared with 150,760 ounces at 215,287 pesos in 1948 and with the 1940 total of 1,407,871 ounces at 1,989,365 pesos.

Output of Base Metals Greatly Increased

The production of base metals in 1949 was valued at 16,882,981 pesos or almost double the 1948 output valued at 8,450,700 pesos, but just over the 1940 value of 14,009,121 pesos. Iron ore recorded one of the largest advances during the year and output totalled 370,172 tons at 5,387,659 pesos as against 18,289 tons at 252,000 pesos in the previous year. Copper concentrates showed an increase from 5,837 tons at 2,057,796 pesos to 7,007 tons at 4,564,025 pesos. Metallurgical chromite ore increased from 24,075 tons to 81,404 tons in 1949. Smaller gains were recorded in the 1949 production of lead and manganese ore, while declines were registered in the output of refractory chromite.

The output of non-metallic minerals for 1949 amounted to 16,877,119 pesos as compared with 14,326,480 pesos in the previous year. Cement recorded the largest value in this group and the output of 1,204,692

barrels valued at 6,223,570 pesos was almost 71 per cent above the previous year's production of 703,939 barrels at 3,719,398 pesos. The other principal non-metallics of gypsum, coal and rock asphalt all recorded substantial gains over the quantity and value of their 1948 amounts, but the value of other non-metallic minerals declined by almost 1,629,000 pesos.

Very nearly every island of size in the Philippines has some kind of mineral deposits. In the northern Island of Luzon, there are commercial deposits of almost all the more important precious and base metals used in industry, including gold, silver, copper, chromium, iron, manganese and lead. In some of the smaller islands, such as Cebu, there are big deposits of coal, limestone and copper. The Island of Samar is an important source of iron ore while the small Island of Rapu-rapu, Albay is known for its copper and pyrite deposits. Further south, Mindanao has deposits of gold, silver, chromium, manganese, iron and coal.

During the last twenty years these known deposits have produced about 500,000,000 pesos worth of metallic minerals, which is very small when compared with the known resources. Mineral statistics indicate that reserves of gold ores are placed at 243,000,000 pesos; chromite at 11,000,000 tons; manganese at 200,000,000 tons; copper at 1,640,000 tons; and commercial iron ore at 1,018,000,000 tons. In addition, reserves of coal are estimated at 50,000,000 to 60,000,000 tons. These reserves come from only a small fraction of the country's known mineralized areas.

Gold Leading Mineral Mined

Gold has been the leading mineral mined in the Philippines, and the history of gold mining goes back beyond the third and fourth century when the Chinese were first reported to have come to the Islands. The Spaniards did a great deal of exploration work and mining during the period of their regime in the Philippines. Following the Spanish-American War, mining occupied a very modest place in this country's exports up until 1933 when the price of gold was increased from \$20.67 to \$35.00 per ounce. The higher price for gold, coupled with Spanish and Chinese investment capital which could not be returned to their countries because of civil wars, and with prosperous conditions in the local sugar and coconut industries, gave impetus to prospecting and the developing of new mines throughout the Philippines.

The progress made by the mining industry in the ten years from 1931 to 1940 is shown in the following figures of the value of gold and base metals:

	Value of production (Pesos)
1931	7,524,867
1932	10,300,167
1933	16,190,795
1934	23,701,923
1935	31,692,620
1936	44,402,653
1937	51,260,646
1938	64,623,205
1939	74,131,216
1940	92,832,911

It appeared that 1941 would be a record year had not the war intervened. In the first five months of 1941, the Philippines exported 43,450,000 pesos' worth of gold and base metals and it is estimated that production may have reached 100,000,000 pesos. No records are available during the time the Japanese occupied the Islands. Since February, 1945, the industry has been in a state of rehabilitation, and 1948 and 1949 were the first two years in which good results were obtained.

French Equatorial Africa Suffers From Acute Shortage of Foreign Exchange

Principal export items, such as cotton and wood, shipped mostly to France and do not provide foreign exchange to pay for imported goods—Okume wood is only important source of exchange—Imports reach record level in 1949.

By L. H. Ausman, Canadian Government Trade Commissioner in Leopoldville

(One franc equals \$0.0063 Canadian)

LEOPOLDVILLE, May 25, 1950.—French Equatorial Africa suffers, in comparison with the Belgian Congo, from its lower standard of development, smaller potential resources and lower population. Furthermore, its shortage of foreign exchange is particularly acute. The principal export items, such as cotton and wood, are sent mostly to France, and do not provide the Colony with foreign exchange with which to pay for imported goods. Certain allocations are made by France for essential purposes, and assistance was received during the past year through the European Recovery Program. The scale of aid was, however, far from adequate for the needs of the territory. The provision of equipment for the realization of the Ten-Year Plan has, to some extent, been held up by the lack of foreign exchange.

Shipments of cotton and wood have accounted for well over half of the total value of exports every year since 1946. In 1948 and 1949 they were as follows:

	1948	1949
	(Francs)	
Cotton fibre	2,964,800,000	2,248,000,000
Wood	1,195,400,000	1,441,200,000

The wood consisted mostly of okume logs and squares. In volume it was only about half the figure for 1937, but it was higher than in any year since 1938.

Other exports, making up the total of 6,500 million francs in 1949, included a variety of mineral, animal and vegetable products. The more important being:

	1948	1949
	('000 Francs)	
Gold	499,100	767,500
Diamonds	207,000	320,400
Cattle	53,800	221,200
Coffee	114,000	199,000
Palm kernels	154,800	175,000
Palm oil	108,600	136,000
Lead ore	180,700	83,700
Cocoa beans	84,700	65,000
Raw skins	71,900	65,000
Butter	136,300	52,000
Wax	28,600	38,100
Zinc ore .....	.....	20,000
Soap	33,900	17,900

Diamond Exports Considerably Larger

The gold exports include more than 1,000 kilos accumulated from the production of previous years and do not adequately reflect an actual reduced production during 1949. It is anticipated that in 1950 the figure will be considerably less. Diamond exports are considerably larger, both in volume and value, than before the war. The present level of production (132,897 carats in 1949) has been fairly steady since 1946 and compares favourably with the figure of 6,029 carats in 1937.

As a result of a new method of control of the exportation of cattle, hides and skins and butter to neighbouring African territories, much of the smuggling in these items has been eliminated, though it is believed that many cattle are still sent over the borders illegally, especially to Nigeria.

Coffee exports in 1949 were on a level with other recent years except 1947 when they were exceptionally high. Palm oil and palm kernels did not reach the prewar level, though cotton was considerably above it.

In general, the slight increase in exports of 5 per cent from 6,200 million francs to 6,500 million francs indicates a satisfactory gain in view of the lower world prices of certain of these raw materials, particularly vegetable oils, during the third quarter of 1949.

Exports from French Equatorial Africa, by Countries

	Francs	Percentage of total
France	4,853,384,000	74.7
United Kingdom	625,398,000	9.6
Nigeria	251,640,000	3.9
Belgian Congo	150,853,000	2.3
Other French territories	141,948,000	2.1
Netherlands and colonies	88,867,000	1.4

Exports according to currency areas were: franc, 76.8 per cent; sterling, 14.5 per cent; dollar, 0.2 per cent; others, 8.5 per cent. Before the war the franc markets absorbed 67 per cent. This dropped off during the war years, but after the liberation, and due in large measure to shortages in France, exports to this area rose to 87 per cent in 1948. The year 1949 shows a slight return to trade with other countries. The United Kingdom is the only important foreign customer of French Equatorial Africa. In 1948, British purchases were almost entirely wood, but last year export authorizations were granted for other products in addition.

Okume wood, the only important source of foreign exchange, was shipped to the following countries:

	('000 Francs)
United Kingdom	399,000
Netherlands	81,000
Switzerland	50,000
Other non-franc countries	229,000
 Total	 759,000

Imports into French Equatorial Africa

	1948 ('000 Francs)	1949 ('000 Francs)
Machinery and parts	927,000	1,662,100
Cotton textiles	727,900	1,661,100
Motor vehicles	412,200	666,700
Gasoline	258,800	466,800
Cement	156,700	395,800
Iron and steel, including wire	118,300	270,800
Household articles	111,100	265,300
Wines	137,500	202,400
Tools of iron or steel	70,000	150,900
Sugar	84,200	149,500
Coal	49,900	144,800
Tobacco	38,200	133,500
Roofing sheets	115,000	131,100
Fish (dry, salted and smoked)	50,100	114,100
Beer	51,600	111,700
Diesel and fuel oil	45,300	111,600
Paper and paper products	74,600	110,100
Tires	76,100	109,000
Flour	39,900	105,800

Imports Reached Record Level

The year 1949 recorded the highest level of imports into French Equatorial Africa. The volume of 309,000 metric tons was four times that of 1938, while the value of 11,309,566,000 francs represented an increase of 38 times the prewar period. The latter comparison, however, is not an accurate one as it reflects higher prices, devaluation of currency and a different method of statistical valuation. In an effort to relate the two periods by the elimination of exchange fluctuations a comparison may be made in terms of United States dollars in the years 1938 and 1949. This shows an increase from U.S.\$8,312,000 to U.S.\$77,836,000, or 9·4 times. Even here it is to be noted that the purchasing power of the dollar dropped to one-half in the intervening period, so that the real increase in volume bears a close relationship to the increase in volume.

Imports from Canada Limited

Total volume imported in 1948 was 199,000 tons as compared with the 309,000 tons last year. Due to shortage of exchange, few of these goods were received from Canada, although the United States was a substantial supplier under ERP. Certain agricultural implements were imported from Canada for payment with E.C.A. dollars. Under an arrangement whereby import permits will be granted where foreign exchange is not required to be provided by the authorities, orders have been placed for Canadian milk, flour and canned fish, but so far little or none of this business has been confirmed due to difficulty in securing dollars on the free market. Other items, imported last year, of interest to Canada are household articles (aluminum utensils, etc.), hand tools, roofing sheets and tires. Canadian dried fish cannot be offered at a price low enough to be competitive.

At the beginning of 1949 it was thought that the entire requirements of flour would be met by France. This was not possible, however, and more than half of the tonnage was supplied from the United States. The Africans are acquiring a taste for bread and it is likely that, despite a reluctance on the part of the authorities to be dependent on outside sources for essential foods for the native population, imports will increase from year to year. According to present estimates based on reports of the harvest in France, imports in 1950 will come almost exclusively from that source.

Imports into French Equatorial Africa, by Countries

	1949	Percentage of total
France	'000 Francs 7,263,452	64.2
United States	1,672,760	14.8
Other French territories	548,339	4.9
Netherlands and colonies	486,859	4.3
Belgian Congo	294,239	2.6
Other British territories	238,178	2.0
United Kingdom	192,192	1.7
Belgium	176,245	1.6

According to currency area these imports were: francs, 69·1 per cent; sterling, 3·7 per cent; dollar, 14·8 per cent; others, 12·4 per cent. It will be noted that there was an unfavourable balance as regards all groups except sterling. Before the war (1938) the French Empire supplied only 37 per cent of imports; the sterling area 10 per cent (in 1944 and 1945 it was about 44 per cent); the dollar area was relatively unchanged at about 15 per cent and other currencies accounted for as much as 38 per cent.

In general, it may be said that the Ten-Year Plan is responsible in large measure for the heavy surplus of imports from France and French territories overseas. To this, however, must be added the shortage of other foreign exchange and the reluctance of France to furnish such exchange to the Colony. Furthermore, more than three-quarters of all the Colony's export produce was sent to French territories from which the Colony derived no foreign credits. Finally, the fact that French prices are relatively higher than those in the Colony raised the normal value of imports from France.

Among the other countries, Netherland Indies and Belgium account for the greatest deficit, the former relating to the importation of petroleum products. To some extent sterling balances may have been used to meet these deficits and 21 bilateral commercial agreements signed or renewed during 1949 aided the Colony to meet its commitments in this respect.

Natives Produce Honey and Beeswax in Angola

Leopoldville, May 28, 1950.—(FTS)—Under rather primitive conditions, honey and beeswax are produced by the natives in the Portuguese colony of Angola. The latter commodity is exported in quantities which fluctuate considerably from year to year. From 1931 to 1949, exports totalled 21,039 tons, valued at \$9,321,000. The largest single figure was for 1946, when the total was 1,926 tons. Last year exports were only 676 tons, valued at \$316,000, the second lowest figure during the past 20 years.

The authorities are taking steps to improve the method of production by the substitution of new types of hives and the education of the native in the extraction of the honey and the packing of the wax.

Although prohibited by law, the natives still collect the honey by burning and cutting the trees where the hives are built. More modern and economical methods will be necessary if this industry is to increase and remain healthy.

Whaling Operations Along Norwegian Coast Lucrative

Oslo, June 6, 1950.—(FTS)—Some three hundred vessels, most of which are fishing craft, seek small whales in Norwegian fjords and channels, and secure a catch worth six million kroner a year, which includes a return on the blubber recovered. This industry was organized in the late twenties, but has been controlled since 1937 by a system of government concessions. Prior to the Second World War, whale meat was used mainly for fox food, but it was used more widely for human consumption during and since the war, with a result that prices have soared.

The government has authorized the establishment of four land stations along the Norwegian coast from which to hunt for larger whales. Each station is allowed three whale catchers, and their principal catch consists of fin whales, though a few blue and sei whales are killed. The meat production of these stations, which are under strict government supervision, is particularly valuable, as a single fin whale may yield up to ten tons of meat, most of which is suitable for consumption by human beings.

Quality controls have encouraged the acceptance of whale meat in the domestic and export markets, the principal of which is the United Kingdom, though shipments are made to Central Europe as well. Given reasonable stability, the industry should make an important contribution to the income derived by the fishing industry of Norway.

Rice is Main Agricultural Crop Grown in Hong Kong Colony

Very little of territory suitable for cultivation—Cattle and buffalo kept purely for draught purposes — Agricultural Department formed in 1946—Wholesale Vegetable Marketing Organization facilitates collection, marketing and sale of vegetables.

(Editor's Note—This is the third in a series of articles on political and economic conditions in Hong Kong, reproduced from the Annual Report for 1949 of that Crown Colony.)

HONG KONG ISLAND, the area of which is 32 square miles, and the New Territories, 355 square miles, and leased on July 1, 1898, for 99 years, consist mainly of mountains and hills, the more gradual slopes being covered with grass, ferns and sparse pinewood, the rocky ravines with evergreen trees and dense thorny scrub. Very little of this territory is suitable for cultivation, and practically all that is suitable has already been brought under cultivation. The main gentle slopes of the valleys are intensively cultivated, and the lower shoulders of the hills have also been terraced, where water is available for irrigation.

The terraces and irrigation channels may date back many years. On the higher slopes of mountains, such as Tai Mo Shan, one may see remains of terraces for tea cultivation which have now been discontinued, probably owing to the high winds in summer and cold experienced during the winter months.

The Chinese farmer of the New Territories is primarily a rice producer and, generally speaking, any other crop grown is subsidiary to rice except that part of Tsun Wan which is essentially a vegetable growing area. Practically all rent of farmland is paid in terms of rice, which makes it an important crop to the farmer. Except for the lands irrigated with brackish water, which yield but one crop, most of the paddy fields of the Territories produce two crops a year, the water supply being the limiting factor. The main area for salt water paddy is the district around Mai Po. The rice straw is short and the grains are small, narrow and of excellent quality. It is difficult to estimate the amount of milled rice produced annually, but the figure of 20,000 short tons is considered about the annual production. This, of course, represents a very small proportion of the total annual consumption.

Farmers save their own seeds from year to year both for the first and second sowing, as different varieties of seed are used for each crop. Annually they select their best paddy for seed and, from district to district, even from farm to farm, the varieties grown differ noticeably from one another. In July, October and November, when farmers spread out their paddy to dry on the surface of the roads, the different colours and shades of the varieties can readily be noticed.

Fertilizers used for rice fields are groundnut cake, mixed with ashes from burnt rice husks or from the hull, nightsoil and sulphate of ammonia.

Vegetables Grown Extensively in the Winter

On land unsuited to rice, other crops may be grown, such as sugar cane and groundnuts. Vegetables are grown extensively during the winter, particularly as the price of vegetables has been higher in recent years. A great deal of sweet potatoes is also grown during winter for pig food—

an essential product of the New Territories. During the summer, vegetables are cultivated sparingly, and Hong Kong has to rely to a large extent on imported vegetables during this season. Before the war, there was a certain amount of fruit grown, including olives, but large numbers of trees were cut down during the Japanese occupation and have not been replaced. Guava trees are valuable, as their wood is used for making plough frames. Lungan timber is also valuable, being used in junk building. Lemons and grapefruit do well, and it is hoped in due course to extend their cultivation.

As far as livestock are concerned, the farmer keeps cattle and buffalo purely for draught purposes. There is hardly any dairy farming except near Kowloon and in Hong Kong. Cattle for slaughter are almost entirely imported, except for the occasional beast sold by local farmers due to old age or injury. During the course of the year, there has been a rapid increase in poultry farming and pig keeping, and there are signs that these two types of farming may assume very much greater importance in future.

Agricultural Department Formed

Before the war, there was no Agricultural Department, although plans had been prepared in 1941 for its formation. The department was eventually formed in 1946 and today consists of two divisions, the Agricultural Division and the Animal Husbandry Division. Among the duties of the Agricultural Division are simple field trials at agricultural stations, the production of paddy seed of certain varieties proved suitable for the Colony, and the examination of possibilities of various economic crops. A survey is being carried out to examine the conditions and methods of agriculture in the Colony. There is also a service for the distribution of nightsoil to farmers, particularly vegetable farmers who use this fertilizer extensively. The demand is far greater than the supply.

The importance of the Animal Husbandry Division is growing rapidly and the farmers appreciate the service made available to them. A campaign for the control of rinderpest, an endemic disease in Hong Kong, was started in July and was completed by the end of October. It is estimated that 90 per cent of the cattle and buffalo of the Colony were immunized through the use of lapinized vaccine. This vaccine was produced locally by the veterinary officer, using a strain of batch No. 827 which was brought from Bangkok with the help of F.A.O. and kept going by passage through rabbits. After a rather shaky start, excellent co-operation was received from farmers when they realized that their stock suffered no ill effects as a result of being inoculated. Hog cholera, another very common disease, has been successfully attacked by the use of crystal violet vaccine. A great deal of work is also being done in combating poultry diseases, such as newcastle disease, fowl disease, fowl cholera, typhoid and laryngo-trachitis.

There is a pig-breeding station at Sheung Shui, where the Berkshire breed is being used to cross with the local sow. Stock is being imported from Australia. The farmers are most anxious to obtain breeding from this pig station and there is a large waiting list for stock produced. There is also a poultry station at Sheung Shui, where various breeds are being tried out, and where day-old chicks and hatchings of eggs are being distributed to farmers, but the main activities of the poultry section are being concentrated at present on the control of disease.

In order to establish closer contact with the farmers and obtain their co-operation, extension stations will be formed throughout the New Territories, where an agricultural officer will live among the farming community,

demonstrate methods of vegetable culture and strains of rice, and will sell Chinese vegetable seed and insecticides. Stud boars, poultry and selected bulls will also be kept at these stations.

Wholesale Vegetable Market Established

Before the war, about four-fifths of the vegetables consumed in China were imported. In order to increase the vegetable production of the Colony, both in quality and in quantity, and to facilitate the collection, marketing and sale of vegetables, the Wholesale Vegetable Marketing Organization was established in September, 1946. All vegetables produced in the New Territories and imported into Kowloon from China have now to pass through the market, where they are sold by public auction. The organization has had to grow and expand against strong opposition; in the first place from the farmers who did not appreciate the benefits which it could bring them, and secondly, from the middlemen who lost the substantial profits which they previously enjoyed. The farmers have now come to realize that the scheme has brought them advantages which have more than compensated for any inconvenience which the change may have brought them, but the displaced middlemen remain disgruntled. During the year, the organization has doubled the size of its Kowloon market and has opened a small market in Hong Kong. A fleet of sixteen new diesel trucks has been acquired through a Colonial Development and Welfare grant. Plans are in hand for de-centralization of the existing organization, and under the new plan the farmers will take a more active part in operating the scheme and will eventually form a co-operative.

Production of vegetables, which before the war were sufficient only to meet one-fifth of the Colony's needs, has increased to such an extent that the requirements of five-eighths of the existing population can now be met.

Banana Exports from Martinique to France Increased

Port-of-Spain, May 26, 1950.—(FTS)—Banana exports from Martinique to France showed a net increase last year over 1948. The total 1949 exports were forty-four million kilograms (about forty thousand tons), an increase of over twenty-five per cent on the previous year. Each month of 1949 showed an excess over the corresponding month of 1948 except November and December. The reason for this change was the sharp decrease in prices which occurred in the metropolitan market. Prices continued to fall until the Martinique banana planters claimed that bananas cost them more to cultivate than they received for them. Faced with this price situation, the planters decided to reduce their exports and only two banana ships left Fort-de-France in November and two in December instead of the average of four or five each month. Recently the situation has been improved by removal of the special tax on banana exports intended to aid in keeping down the price of certain imported commodities, especially wheat flour.

Copra Output in British Guiana at Record High Level

Port-of-Spain, May 26, 1950.—(FTS)—Copra production in 1949 was an all-time record for British Guiana, amounting to 2,788 tons. Stocks of edible oil, including crude oil, are higher than they have been for many years in spite of the difficulties caused by the floods.

Monthly Summary of Foreign Trade

Canadian Exports (Excluding Gold)

Months	Average 1935-39	1938	1945	1946	1947	1948	1949	1950
(Millions of Dollars)								
January.....	62.8	70.3	230.5	189.1	208.6	235.4	237.0	221.2
February.....	57.4	59.6	236.4	153.1	179.5	208.3	205.0	199.5
March.....	71.1	73.3	301.2	178.4	209.0	228.4	216.8	228.2
April.....	48.5	50.9	312.3	178.5	190.9	212.3	237.8	205.5
May.....	75.6	67.0	315.2	197.0	267.8	282.3	272.9	287.0
June.....	73.3	66.0	322.8	166.7	272.7	233.5	255.1	.....
July.....	74.4	66.2	282.7	188.7	236.6	250.9	241.3	.....
August.....	77.1	69.1	295.0	242.7	221.3	224.1	251.7	.....
September.....	76.8	72.2	220.8	169.8	218.6	283.0	228.4	.....
October.....	91.3	88.2	227.9	204.2	250.8	307.0	269.1	.....
November.....	95.0	86.0	238.7	232.2	253.1	293.9	292.3	.....
December.....	81.3	68.9	234.8	211.9	266.2	316.4	285.5	.....
Total.....	884.5	837.6	3,218.3	2,312.2	2,774.9	3,075.4	2,993.0	1,141.4

Canadian Imports (Excluding Gold)

Months	Average 1935-39	1938	1945	1946	1947	1948	1949	1950
(Millions of Dollars)								
January.....	44.6	49.7	129.7	140.3	173.8	206.1	223.8	211.9
February.....	42.9	47.0	112.4	117.0	177.1	182.2	206.0	200.2
March.....	59.1	65.1	132.6	139.9	208.9	197.1	235.9	237.4
April.....	45.3	48.9	133.8	160.8	225.6	226.7	242.7	230.9
May.....	66.1	67.1	143.8	164.2	240.3	225.1	250.5	290.2
June.....	60.5	58.9	146.5	157.7	231.1	233.0	250.5	.....
July.....	57.6	55.8	138.7	161.6	226.8	225.1	230.9	.....
August.....	57.9	57.0	128.1	163.2	204.6	206.5	212.1	.....
September.....	59.6	56.4	122.3	156.1	208.1	221.7	221.6	.....
October.....	68.6	63.9	134.4	186.4	254.5	243.4	234.3	.....
November.....	70.1	63.3	142.4	198.2	229.1	238.2	239.6	.....
December.....	52.2	44.3	121.2	181.9	194.2	232.0	213.4	.....
Total.....	684.6	677.5	1,585.8	1,927.3	2,573.9	2,636.9	2,761.2	1,170.6

Balance of Trade with all Countries (Excluding Gold)

Months	Average 1935-39	1938	1945	1946	1947	1948	1949	1950	
(Millions of Dollars)									
January.....	+	19.0+	21.8+	104.2+	51.0+	36.7+	33.0+	15.2+	11.8
February.....	+	15.3+	13.5+	128.0+	37.7+	4.7+	28.1+	1.2+	1.4
March.....	+	13.0+	9.2+	174.5+	40.0+	3.0+	33.9-	16.9-	5.7
April.....	+	4.0+	2.6+	184.3+	19.5-	32.2-	11.6-	2.4-	21.2
May.....	+	10.6-	0.8+	174.9+	34.6+	30.9+	62.4+	25.1-	0.6
June.....	+	13.8+	7.9+	180.7+	11.1+	45.3+	3.0+	6.9-	
July.....	+	17.9+	11.4+	147.4+	29.6+	12.8+	28.4+	12.8-	
August.....	+	20.3-	12.9+	172.5+	82.8+	20.3+	20.0+	41.9-	
September.....	+	18.3+	16.7+	102.7+	15.8+	13.4+	64.4+	9.4-	
October.....	+	23.8+	25.3+	98.5+	20.2-	0.8+	66.0+	37.4-	
November.....	+	26.2+	23.5+	98.8+	37.0+	26.9+	58.2+	55.9-	
December.....	+	30.3+	25.6+	115.2+	32.4+	76.7+	87.3+	74.9.....	
Total.....	+	212.5+	171.2+	1,681.6+	411.9+	237.8+	473.1+	261.2-	14.3

NOTE.—Throughout this bulletin, totals represent unrounded figures, hence may vary slightly from rounded amounts. The value of "Foreign Exports" is not included under the tabular heading "Canadian Exports", for which reason figures showing the balance of trade do not represent the difference between those for exports and imports.

The foreign trade of Newfoundland is included as from April 1, 1949.

Canadian Exports to the United Kingdom (Excluding Gold)

Months	Average 1935-39	1938	1945	1946	1947	1948	1949	1950
(Millions of Dollars)								
January.....	25.5	33.6	83.2	51.1	50.5	64.9	55.8	48.6
February.....	23.6	27.3	67.5	37.9	44.9	51.7	44.1	30.4
March.....	26.4	27.8	108.8	50.5	47.6	59.2	39.5	30.1
April.....	16.4	18.8	109.1	41.0	43.1	44.4	63.0	25.8
May.....	30.5	27.9	115.6	54.9	90.5	85.1	72.4	48.7
June.....	28.9	25.6	94.6	30.6	76.2	54.2	60.7	.....
July.....	30.5	25.8	83.9	40.4	69.4	56.3	70.6	.....
August.....	31.3	26.7	66.6	71.9	66.0	52.5	62.9	.....
September.....	30.8	28.9	58.8	54.3	54.5	47.9	56.9	.....
October.....	38.4	36.0	56.3	47.7	66.8	65.6	72.3	.....
November.....	41.4	35.8	52.4	57.9	69.3	56.7	56.8	.....
December.....	30.0	25.5	66.4	59.4	72.5	48.5	49.9	.....
Total.....	353.6	339.7	963.2	597.5	751.2	686.9	705.0	183.6

Canadian Imports from the United Kingdom (Excluding Gold)

Months	Average 1935-39	1938	1945	1946	1947	1948	1949	1950
(Millions of Dollars)								
January.....	8.0	8.9	9.4	20.1	14.3	21.6	25.4	26.1
February.....	8.1	8.8	6.7	13.0	10.5	17.9	22.9	25.4
March.....	10.9	11.5	9.3	14.4	13.8	21.6	28.3	32.7
April.....	8.4	9.2	12.0	21.2	12.7	24.6	30.1	29.5
May.....	12.7	11.9	15.2	18.8	15.2	27.4	29.5	36.3
June.....	10.8	9.2	13.8	23.4	18.1	26.0	27.0	.....
July.....	11.3	9.7	12.0	21.9	17.7	29.4	29.4	.....
August.....	11.4	10.4	10.7	14.5	15.1	24.7	26.2	.....
September.....	10.5	10.0	9.6	12.0	15.6	24.1	21.9	.....
October.....	11.0	11.6	12.1	15.6	18.3	29.3	19.4	.....
November.....	13.0	11.0	14.8	14.9	17.8	28.3	26.5	.....
December.....	8.0	7.0	14.9	11.7	20.3	24.6	20.8	.....
Total.....	124.0	119.3	140.5	201.4	189.4	299.5	307.4	150.0

Balance of Trade with the United Kingdom (Excluding Gold)

Months	Average 1935-39	1938	1945	1946	1947	1948	1949	1950	
(Millions of Dollars)									
January.....	+	17.7+	24.8+	74.5+	31.2+	36.3+	43.4+	30.5+	22.8
February.....	+	14.6+	18.7+	61.4+	24.9+	34.5+	33.9+	21.4+	5.3
March.....	+	15.6+	16.4+	101.5+	36.2+	33.9+	37.7+	11.3+	2.4
April.....	+	9.1+	9.6+	98.9+	19.8+	30.4+	19.8+	33.4+	3.6
May.....	+	17.7+	16.2+	101.1+	36.2+	75.6+	57.8+	43.4+	12.5
June.....	+	18.3+	16.6+	81.3+	7.3+	58.2+	28.3+	34.1+	.....
July.....	+	19.4+	16.3+	72.2+	18.6+	52.0+	27.1+	41.7+	.....
August.....	+	20.0+	16.5+	56.8+	57.5+	51.1+	27.9+	37.1+	.....
September.....	+	20.3+	19.0+	49.2+	42.4+	39.4+	24.1+	35.5+	.....
October.....	+	27.5+	24.6+	44.8+	32.1+	48.7+	36.5+	53.4+	.....
November.....	+	28.4+	24.8+	37.7+	43.3+	51.6+	28.6+	30.7+	.....
December.....	+	22.1+	18.6+	51.6+	47.8+	52.5+	24.0+	29.4+	.....
Total.....	+	230.8+	222.1+	830.9+	397.4+	564.3+	389.1+	401.8+	34.6

Canadian Exports to the United States (Excluding Gold)

Months	Average 1935-39	1938	1945	1946	1947	1948	1949	1950
(Millions of Dollars)								
January.....	22.1	20.0	84.7	62.3	79.5	105.0	116.0	130.9
February.....	19.7	16.8	91.5	57.6	69.4	94.8	106.7	128.8
March.....	25.9	22.7	103.3	66.5	83.1	112.5	122.4	154.3
April.....	20.1	18.0	109.1	71.4	88.3	109.2	110.7	137.8
May.....	26.1	20.4	117.2	72.2	79.8	114.7	121.2	175.3
June.....	25.1	20.0	112.3	66.5	82.0	109.8	113.9	.....
July.....	25.9	21.0	102.7	74.8	82.1	118.9	104.4	.....
August.....	28.3	25.3	112.6	75.0	81.4	114.0	115.4	.....
September.....	29.4	25.1	84.8	69.6	87.5	162.0	113.7	.....
October.....	33.5	28.0	88.4	99.1	102.4	148.9	148.1	.....
November.....	31.9	28.4	101.2	89.2	92.9	163.3	171.3	.....
December.....	33.3	24.7	88.9	83.9	106.0	147.8	159.8	.....
Total.....	321.3	270.5	1,197.0	887.9	1,034.2	1,501.0	1,503.5	727.1

Canadian Imports from the United States (Excluding Gold)

Months	Average 1935-39	1938	1945	1946	1947	1948	1949	1950
(Millions of Dollars)								
January.....	28.7	32.3	101.8	97.4	136.4	150.0	164.8	154.5
February.....	27.9	31.2	92.8	86.0	138.4	136.8	148.8	143.1
March.....	33.0	42.9	104.3	100.1	165.1	138.3	169.0	160.9
April.....	29.2	31.4	102.7	114.8	181.6	159.5	177.3	162.2
May.....	33.3	40.5	104.8	113.4	184.7	145.0	172.1	195.5
June.....	36.4	37.1	110.7	106.6	174.7	154.9	176.9	155.1
July.....	33.4	34.1	103.5	112.5	168.9	149.5	160.3	155.1
August.....	33.7	35.3	96.8	123.1	155.3	136.1	143.6	135.1
September.....	36.2	34.7	89.6	115.8	163.0	152.7	158.0	145.1
October.....	42.5	38.5	101.3	140.4	190.4	160.2	187.6	160.1
November.....	40.8	37.6	103.3	149.5	174.4	163.4	162.7	155.1
December.....	33.6	29.2	89.9	145.6	141.7	159.4	151.0	145.1
Total.....	418.7	424.7	1,202.4	1,405.3	1,974.7	1,804.8	1,951.9	1,816.2

Balance of Trade with the United States (Excluding Gold)

Months	Average 1935-39	1938	1945	1946	1947	1948	1949	1950
(Millions of Dollars)								
January.....	5.9	11.3	15.0	33.2	55.8	43.2	47.3	21.5
February.....	7.5	13.8	1.9	27.1	67.1	40.4	40.6	12.8
March.....	10.3	19.5	1.7	32.4	80.2	24.2	44.9	3.7
April.....	8.4	12.8	10.1	41.9	91.6	48.0	65.1	22.9
May.....	11.0	19.5	15.0	39.9	102.7	28.7	49.1	18.3
June.....	10.5	16.5	3.8	38.5	90.5	43.5	61.3	.....
July.....	6.6	12.4	1.5	35.9	84.9	28.6	54.2	.....
August.....	4.5	9.4	18.2	45.6	71.6	20.3	26.6	.....
September.....	5.9	8.9	2.3	44.7	73.8	11.4	42.6	.....
October.....	8.0	9.7	9.9	39.4	86.2	9.7	17.8	.....
November.....	7.7	8.6	0.1	58.1	79.8	1.5	10.9	.....
December.....	0.7	3.7	0.1	60.1	33.9	9.9	10.7	.....
Total.....	87.0	146.0	25.0	496.7	918.1	283.6	427.8	79.2

Canadian Business and Governments to Spend More on Capital Expenditures

Total of \$3,701 millions estimated to be spent on construction, machinery and equipment in 1950, which is 8 per cent higher than totals in 1949.

CAPITAL expenditures of Canadian business and governments in 1950 on new construction, machinery and equipment are estimated at \$3,701 millions, which is 3 per cent higher than the estimate made earlier this year and 8 per cent higher than the total for capital outlays in 1949. The new estimate for construction is \$2,355 million, an increase of 13 per cent over 1949, while estimated machinery and equipment expenditures of \$1,346 million are practically unchanged from the 1949 figure. The total capital program of \$3,701 million constitutes, on the basis of present expectations, a little more than 22 per cent of the total national expenditure on all goods and services in 1950, and illustrates the extent to which Canadian employment and income are dependent on such expenditure.

Investment by private business accounts for most of the increase over the earlier forecast. Manufacturing is up \$50 million, largely as a result of increases in the industries producing wood products, paper products, transportation equipment and non-metallic minerals. Mining is up \$20 million; the construction industry, \$9 million; and commercial services, \$10 million. Institutional services are down \$17 million. The latter is accounted for mainly by a reduction in estimates of hospital expenditures.

About two-thirds of the increase over the first 1950 estimate of total capital expenditures is for machinery and equipment and the balance for construction. Machinery and equipment expenditures have increased by \$69 million, while those for construction are up \$36 million. The forecast for residential housing construction has increased by \$23 million over the earlier estimate for 1950, mainly because of the high level of building activity and an anticipated increase in building costs.

The changes which occurred are not necessarily a result of real changes in investment intentions. Many of the revisions from the earlier forecast, which was based on surveys made in December, 1949, occur simply as a result of the fact that more complete information is now available. At mid-year, with work well advanced on many projects, it has been possible for management to make more accurate and complete estimates than at the time of the December survey.

Expenditures on repair and maintenance, which are given in the revised forecast at \$1,518 million, are about one per cent above the original forecast and about 2 per cent higher than the figure for 1949.

Angola Encouraging Production of Light Tobaccos

Leopoldville, May 28, 1950.—(FTS)—For many years, dark tobacco has been grown in Angola but, due to a tendency in most markets to favour the light varieties, efforts have been made to encourage cultivators to change their crop. Technical work on the soil by the Department of Agriculture, supported by prizes for quality crops, has helped considerably in introducing a variety of tobacco. However, it is claimed this is more difficult to grow and process than the established darker types.

In order to facilitate the transition to the new type, the Export Control Board has provided interest-free loans to growers for the construction of 21 new driers. These loans are to be repaid in five years.

Trade Commissioners on Tour

CANADIAN Trade Commissioners return periodically from their posts in foreign lands to familiarize themselves with conditions in this country and the special requirements of the commercial community. They are in a position to furnish information concerning markets in their respective territories and possible sources of supply. Exporters and importers are urged to communicate with these officers, when in their vicinity, and to discuss the promotion of their particular commercial interests, now and in the future. Arrangements for interviews with these trade commissioners should be made directly through the following offices in the areas concerned:

Ottawa—Foreign Trade Service, Department of Trade and Commerce

Blenheim—Board of Trade.
Brantford—Board of Trade.
Brockville—Chamber of Commerce.
Calgary—Board of Trade.
Chatham—Board of Trade.
Charlottetown—Board of Trade.
Edmonton—Canadian Manufacturers' Association.
Fredericton—Chamber of Commerce.
Gananoque—Chamber of Commerce.
Guelph—Board of Trade.
Halifax—Board of Trade.
Hamilton—Chamber of Commerce.
Kingston—Chamber of Commerce.
Moncton—Canadian Manufacturers' Association.

Montreal—Montreal Board of Trade.
Quebec City—Board of Trade.
Regina—Chamber of Commerce.
Saint John—Board of Trade.
Saskatoon—Board of Trade.
St. John's—Department of Trade and Commerce, Stott Building.
Toronto—Canadian Manufacturers' Association.
Vancouver—Department of Trade and Commerce, 355 Burrard Street.
Victoria—Department of Trade and Industry.
Winnipeg—Canadian Manufacturers' Association.

J. Harry Tremblay, Commercial Secretary for Canada (Agricultural Specialist) in Paris since April, 1946, has returned home on leave and commenced his tour of Canada on July 12 in Edmonton, Alberta.

Calgary—August 1.
Vancouver—August 2-4.
Saskatoon—August 15.
Regina—August 16.
Winnipeg—August 18-19.
Montreal—August 25-26.
Brockville-Gananoque—August 28.

Toronto—August 29-30.
Blenheim-Chatham—September 1.
Brantford—September 2.
Guelph—September 3.
Ottawa—September 5.
Quebec—September 8-9.

Richard Grew, Commercial Secretary for Canada in New Delhi since May, 1948, and previously in Bombay, commenced his tour of Canada on June 19.

Montreal—July 10-19.

J. M. Boyer, Canadian Government Trade Commissioner in Cairo since October, 1947, commenced his tour of this country on May 22 in Windsor, Ont. Besides Egypt, his territory includes Aden, Anglo-Egyptian Sudan, Cyprus, Ethiopia, Hashemite Kingdom of the Jordan, Iraq, Lebanon, Saudi Arabia and Syria.

Saint John—July 25-26.
Halifax—July 28.
Vancouver—August 21-26.
Winnipeg—September 5.

Ottawa—September 8-12.
Kingston—September 13.
Gananoque-Brockville—September 14.
Montreal—September 15-30.

A. W. Evans, Commercial Secretary for Canada in Havana since January, 1949, commenced his tour of this country on May 29 in Toronto. Besides Cuba, his territory includes the Dominican Republic, Haiti and Puerto Rico.

St. John's, Nfld.—July 17.

Trade and Tariff Regulations

Bermuda Announces Delivery Limit on Deferred List

Hamilton, June 24, 1950.—(FTS)—The Bermuda Supplies Commission, in a Notice of June 20, notified importers holding valid permits for goods added to the Deferred List of general merchandise items dated June 1, that such goods must arrive in the Colony not later than August 15, 1950.

(Editor's Note—See *Foreign Trade* of July 8, 1950, page 91 for Deferred List.)

United States Removes Import Duty from Christmas Trees

Washington, June 23, 1950.—(FTS)—Public Law 566, approved June 17, 1950, amends paragraph 1803 of the Tariff Act 1930, by adding evergreen Christmas trees. The effect of this amendment is that, effective July 1, 1950, Christmas trees will enter the United States free of duty. The former duty on Christmas trees was 5 per cent ad valorem. In 1949, Canadian exports of Christmas trees to the United States amounted to \$2,319,887.

Wheat Flour Subject to Previous Import Permit in Venezuela

Caracas, June 28, 1950.—(FTS)—Importations of wheat flour into Venezuela from the United States and Canada have been made subject to a previous import permit effective respectively July 1 and August 1, 1950, in order that Venezuela's obligations under the International Wheat Agreement may be strictly fulfilled. On and from August 1, no Canadian wheat flour arriving at Venezuelan ports will be allowed entry unless covered by an import licence issued by the Comision Nacional de Abastecimiento.

Signed orders received by Canadian exporters from Venezuelan importers must be stamped by the Comision before being considered valid.

Private Adjusters in Tientsin Must Cease Operations

Shanghai, June 20, 1950.—(FTS)—An order issued by the Peoples' Municipal Government at Tientsin states that, effective May 1, 1950, all private firms of adjusters must cease operations. The functions of inspection and marine measurement of commodities must henceforth be performed exclusively by the Tientsin Bureau of Inspection and Testing of Commodities.

DATA FOR EXPORTERS COMPILED

Information, of particular interest to Canadian exporters, concerning shipping documents and customs regulations of foreign countries, is being compiled by the International Trade Relations Division. Countries concerning which such information is now available in a revised form are: Belgium, Belgian Congo, Cuba, Denmark, Dominican Republic, Egypt, Finland, Greece, Guatemala, Haiti, Italy, Mexico, Netherlands, Netherlands Antilles, Nicaragua, Norway, Panama, Surinam (Netherlands Guiana), Sweden, Switzerland and Venezuela. Data on other countries will be made available from time to time.

Foreign Trade Service Abroad

Cable address:—Canadian, unless otherwise shown.

Note.—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.

Argentina

Buenos Aires—Acting Commercial Secretary, Canadian Embassy, Bartolomé Mitre 478.

Territory includes Paraguay and Uruguay.

Buenos Aires—W. B. McCULLOUGH, Commercial Secretary (Agricultural Specialist), Canadian Embassy, Bartolomé Mitre 478.

Australia

Sydney—C. M. CROFT, Commercial Counsellor for Canada, City Mutual Life Building, Hunter and Bligh Streets. Address for letters: Post Office Box 3952 G.P.O.

Territory includes the Australian Capital Territory, New South Wales, Queensland, Northern Territory and Dependencies.

Melbourne—F. W. FRASER, Commercial Secretary for Canada, 83 William Street.

Territory includes States of Victoria, South Australia, Western Australia, and Tasmania.

Belgian Congo

Leopoldville—L. H. AUSMAN, Canadian Government Trade Commissioner, Forescom Building. Address for letters: Boite Postale 373.

Territory includes Angola and French Equatorial Africa.

Belgium

Brussels—B. A. MACDONALD, Commercial Counsellor, Canadian Embassy, 46 rue Montoyer.

Territory includes Luxembourg.

Brazil

Rio de Janeiro—D. W. JACKSON, Commercial Secretary, Canadian Embassy, Edificio Metropole, Avenida Presidente Wilson 165. Address for letters: Caixa Postal 2164.

São Paulo—C. J. VAN TIGHEM, Consul and Canadian Government Trade Commissioner, Canadian Consulate, Edificio Alois, Rua 7 de Abril, 252. Address for letters: Caixa Postal 6034.

Chile

Santiago—M. R. M. DALE, Acting Commercial Secretary, Canadian Embassy, Bank of London and South America Building. Address for letters: Casilla 771.

China

Shanghai—Acting Commercial, Secretary for Canada, 27 The Bund, Postal District (0).

Colombia

Bogotá—H. W. RICHARDSON, Canadian Government Trade Commissioner, Edificio Colombiana de Seguros. Address for letters: Apartado 1618. Address for air mail: Apartado Aereo 3562.

Territory includes Ecuador.

Cuba

Havana—A. W. EVANS, Commercial Secretary, Canadian Legation, Avenida de las Misiones 17. Address for letters: Apartado 1945.

Territory includes Dominican Republic, Haiti and Puerto Rico.

Egypt

Cairo—J. M. BOYER, Canadian Government Trade Commissioner, Osiris Building, Sharia Walda, Kasr-el-Doubara. Address for letters: Post Office Box 1770.

Territory includes Aden, Anglo-Egyptian Sudan, Cyprus, Ethiopia, the Hashemite Kingdom of the Jordan, Iraq, Lebanon, Saudi Arabia and Syria.

France

Paris—J. P. MANION, Commercial Secretary, Canadian Embassy. Address for letters: 3 rue Scribe.

Territory includes Algeria, French Morocco and Tunisia.

Paris—J. H. TREMBLAY, Commercial Secretary (Agricultural Specialist), Canadian Embassy. Address for letters: 3 rue Scribe.

Germany

Frankfurt am Main—W. JONES, Acting Canadian Commercial Representative, Canadian Consulate, 145 Fuerstenbergerstrasse.

Cable address, Canadian Frankfurt-Main.

Greece

Athens—T. J. MONTY, Commercial Secretary, Canadian Embassy, 31 Vasilissis Sophias Avenue.

Territory includes Israel.

Guatemala

Guatemala City—J. C. DEPOCAS, Canadian Government Trade Commissioner, No. 20, 4th Avenue South. Address for letters: Post Office Box 400.

Territory includes Canal Zone, Costa Rica, El Salvador, Honduras, Nicaragua and Panama.

Foreign Trade Service Abroad—Continued

Hong Kong

Hong Kong—T. R. G. FLETCHER, Acting Canadian Government Trade Commissioner, Hong Kong Bank Building. Address for letters: Post Office Box 126.

Territory includes French Indo-China and South China.

India

New Delhi—RICHARD GREW, Commercial Secretary, Office of the High Commissioner for Canada, 4 Aurangzeb Road. Address for letters: Post Office Box 11.

Bombay—R. F. RENWICK, Acting Commercial Secretary for Canada, Gresham Assurance House, Mint Road. Address for letters: Post Office Box 886.

Territory includes Burma and Ceylon.

Ireland

Dublin—H. L. E. PRIESTMAN, Commercial Secretary for Canada, 66 Upper O'Connell Street.

Italy

Rome—R. G. C. SMITH, Commercial Secretary, Canadian Embassy, Via Saverio Mercadante 15-17.

Territory includes Libya, Malta and Yugoslavia.

Jamaica

Kingston—M. B. PALMER, Canadian Government Trade Commissioner, Canadian Bank of Commerce Chambers. Address for letters: Post Office Box 225.

Territory includes the Bahamas and British Honduras.

Japan

Tokyo—J. C. BRITTON, Commercial Representative, Canadian Liaison Mission, Canadian Legation Building.

Territory includes Korea.

Mexico

Mexico City—D. S. COLE, Commercial Counsellor, Canadian Embassy, Edificio Internacional, Paseo de la Reforma. Address for letters: Apartado Num. 126-Bis.

Netherlands

The Hague—J. A. LANGLEY, Commercial Counsellor, Canadian Embassy, Sophiaalaan 1-A.

The Hague—D. A. B. MARSHALL, Commercial Secretary (Agricultural Specialist), Canadian Embassy, Sophiaalaan 1-A.

Territory includes Belgium, Denmark and Luxembourg.

New Zealand

Wellington—P. V. MCCLANE, Commercial Secretary, Office of the High Commissioner for Canada, Government Life Insurance Building. Address for letters: Post Office Box 1660.

Territory includes Fiji and Western Samoa.

Norway

Oslo—S. G. MACDONALD, Commercial Secretary, Canadian Legation, Fridtjof Nansens Plass 5.

Territory includes Denmark and Greenland.

Pakistan

Karachi—A. P. BISSONNET, Acting Commercial Secretary, Office of the High Commissioner for Canada, the Cotton Exchange, McLeod Road. Address for letters: Post Office Box 531.

Peru

Lima—R. E. GRAVEL, Commercial Secretary, Canadian Embassy, Edificio Boza, Carabaya 831, Plaza San Martin. Address for letters: Casilla 1212.

Territory includes Bolivia.

Philippines

Manila—F. H. PALMER, Canadian Consul General and Trade Commissioner, Tuason Building, 8-12 Escolta, Binondo. Address for letters: Post Office Box 1825.

Portugal

Lisbon—L. S. GLASS, Acting Canadian Consul General and Trade Commissioner, Canadian Consulate General, Rua Rodrigo da Fonseca 103.

Territory includes the Azores, Gibraltar and Madeira.

Singapore

Singapore—R. K. THOMSON, Acting Canadian Government Trade Commissioner, Room D-5, Union Building. Address for letters: Post Office Box 845.

Territory includes Brunei, Federation of Malaya, Indonesia, North Borneo, Sarawak and Thailand.

South Africa

Johannesburg—D. S. ARMSTRONG, Acting Canadian Government Trade Commissioner, Mutual Building, Harrison Street. Address for letters: Post Office Box 715.

Territory includes Natal, Transvaal, Southern Rhodesia, Northern Rhodesia, Mozambique, Kenya, Tanganyika, Uganda and Nyasaland.

Cable address, *Cantracom*.

Cape Town—C. B. BIRKETT, Canadian Government Trade Commissioner, 5th Floor, Grand Parade Centre Building, Adderley Street. Address for letters: Post Office Box 683.

Territory includes Cape Province, Orange Free State, South-West Africa, Mauritius and Madagascar.

Cable address, *Cantracom*.

Foreign Trade Service Abroad—Concluded

Spain

Madrid—E. H. MAGUIRE, Canadian Government Trade Commissioner, 70 Avenida José Antonio. Address for letters: Apartado 117.

Territory includes the Balearic Islands, Canary Islands, Rio de Oro and Spanish Morocco.

Sweden

Stockholm—B. J. BACHAND, Commercial Secretary, Canadian Legation, Strandvägen 7-C. Address for letters: Post Office Box 14042.

Territory includes Finland.

Switzerland

Berne—YVES LAMONTAGNE, Commercial Counsellor, Canadian Legation, Thunstrasse 95.

Territory includes Austria, Czechoslovakia and Hungary.

Trinidad

Port-of-Spain—T. G. MAJOR, Canadian Government Trade Commissioner, 43 St. Vincent Street. Address for letters: Post Office Box 125.

Territory includes Barbados, Windward and Leeward Islands, British Guiana, Dutch Guiana, French Guiana and the French West Indies.

Turkey

Istanbul—G. F. G. HUGHES, Commercial Secretary for Canada, İstiklal Caddesi, Lion Magazasi yaninda, Kismet Han No. 3/4, Beyoglu, Istanbul. Address for letters: Post Office Box 2220, Beyoglu.

United Kingdom

London—A. E. BRYAN, Commercial Counsellor, Office of the High Commissioner for Canada, Canada House, Trafalgar Square, S.W.1.

Cable address, *Sleighting, London*.

London—R. P. BOWER, Commercial Secretary, Office of the High Commissioner for Canada, Canada House, Trafalgar Square, S.W.1.

Territory includes the South of England, East Anglia and British West Africa (Gold Coast, Sierra Leone and Nigeria).

Cable address, *Sleighting, London*.

London—W. B. GORNALL, Commercial Secretary (Agricultural Specialist), Office of the High Commissioner for Canada, Canada House, Trafalgar Square, S.W.1.

Cable address, *Cantracom, London*.

London—R. D. ROE, Commercial Secretary (Timber Specialist), Office of the High Commissioner for Canada, Canada House, Trafalgar Square, S.W.1.

Cable address, *Timcom, London*.

Liverpool—M. J. VEHSLER, Canadian Government Trade Commissioner, Martins Bank Building, Water Street. Territory includes the Midlands, North of England and Wales.

Glasgow—J. L. MUTTER, Canadian Government Trade Commissioner, 200 St. Vincent Street.

Territory covers Scotland and Iceland.

Cable address, *Cantracom*.

Belfast—H. L. E. PRIESTMAN, Canadian Government Trade Commissioner, 36 Victoria Square.

Territory covers Northern Ireland.

United States

Washington—J. H. ENGLISH, Commercial Counsellor, Canadian Embassy, 1746 Massachusetts Avenue, N.W.

Washington—Dr. W. C. HOPPER, Agricultural Secretary, Canadian Embassy, 1746 Massachusetts Avenue, N.W.

New York City—M. T. STEWART, Canadian Government Trade Commissioner, British Empire Building, Rockefeller Center. Address for letters: Canadian Consulate General, 620 Fifth Avenue.

Territory includes Bermuda.

Cable address, *Cantracom*.

New York City—M. B. BURSEY, Canadian Government Trade Commissioner (Fisheries Specialist), British Empire Building, Rockefeller Center. Address for letters: Canadian Consulate, 620 Fifth Avenue.

Boston—T. F. M. NEWTON, Consul of Canada, 532 Little Building, 80 Boylston Street, Boston 16.

Detroit—J. J. HURLEY, Consul of Canada, Canadian Consulate, 1035 Penobscot Building, Detroit 26, Michigan.

Chicago—EDMOND TURCOTTE, Consul-General of Canada, Suite 800, Chicago Daily News Building, 400 West Madison Street.

Los Angeles—V. E. DUCLOS, Canadian Government Trade Commissioner, Associated Realty Building, 510 West Sixth Street.

San Francisco—H. A. SCOTT, Consul-General of Canada, 3rd Floor, Kohl Building, 400 Montgomery Street.

Venezuela

Caracas—C. S. BISSETT, Acting Canadian Consul General and Trade Commissioner, Canadian Consulate General, 8° Peso, Edificio America, Esquina Verdes. Address for letters: Apartado 3306.

Territory includes Netherlands Antilles.

Foreign Exchange Quotations

The following are nominal quotations, based on rates available in London or New York and converted into Canadian terms at the mid-rate for sterling or par for United States dollars, as furnished by the Foreign Exchange Division of the Bank of Canada. These quotations may be found useful in considering statistics and prices generally, but Canadian exporters are reminded that the kinds of currency which may be accepted for exports to different countries are specifically covered by the Foreign Exchange Control Act and Regulations, and that funds may sometimes be tendered in payment for exports, which cannot, in fact, be transferred to Canada. Both importers and exporters are advised to communicate with their bankers before completing financial arrangements for the sale or purchase of commodities, to ensure that the method of payment contemplated is not only possible but that it is in accordance with the Foreign Exchange Control Act and Regulations.

Country	Monetary Unit		Nominal Quotations Sept. 17	Nominal Quotations July 4	Nominal Quotations July 10
Argentina.....	Peso	Off.	.2977	.3275	.3275
Austria.....	.....	Free	.2085	.1221	.1221
Australia.....	Schilling	Export	.....	.0515	.0515
Belgium and Belgium Congo.....	Pound	.....	3.2240	2.4640	2.4640
Bolivia.....	Franc	.....	.0228	.0219	.0219
Boliviano.....	.....	.....	.0238	.0183	.0183
British West Indies (Except Jamaica).....	Dollar	.....	.8396	.6417	.6417
Brazil.....	Cruzeiro	.....	.0544	.0598	.0598
Burma.....	Rupee	.....	.3022	.....	.....
Ceylon.....	Rupee	.....	.3022	.2310	.2310
Chile.....	Peso	Off.	.0233	.0183	.0183
Colombia.....	Peso	.....	.5128	.5641	.5641
Costa Rica.....	Colon	.....	.1800	.1980	.1980
Cuba.....	Peso	.....	1.0000	1.1000	1.1000
Czechoslovakia.....	Koruna	.....	.0200	.0220	.0220
Denmark.....	Krone	.....	.2084	.1592	.1592
Dominican Republic.....	Peso	.....	1.0000	1.1000	1.1000
Ecuador.....	Sucre	.....	.0740	.0815	.0815
Egypt.....	Pound	.....	4.1330	3.1587	3.1587
El Salvador.....	Colon	.....	.4000	.4400	.4400
Fiji.....	Pound	.....	3.6306	2.7748	2.7748
Finland.....	Markka	.....	.0062	.0048	.0048
France, Monaco and French North Africa.....	Franc	Off.	.0037	.0032	.0032
French Empire—African.....	Franc	.....	.0073	.0063	.0063
French Pacific Possessions.....	Franc	.....	.0201	.0174	.0174
Germany.....	Deutsche Mark	.....	.3000	.2619	.2619
Guatemala.....	Quetzal	.....	1.0000	1.1000	1.1000
Haiti.....	Gourde	.....	.2000	.2200	.2200
Honduras.....	Lempira	.....	.5000	.5500	.5500
Hong Kong.....	Dollar	.....	.2519	.1925	.1925
Iceland.....	Krona	.....	.1541	.0675	.0675
India.....	Rupee	.....	.3022	.2310	.2310
Iran.....	Rial	.....	.0212	.....	.....
Iraq.....	Dinar	.....	4.0300	3.0800	3.0800
Ireland.....	Pound	.....	4.0300	3.0800	3.0800
Israel.....	Pound	.....	3.0000	3.0800	3.0800
Italy.....	Lira	.....	.0017	.0018	.0018
Jamaica.....	Pound	.....	4.0300	3.0800	3.0800
Japan.....	Yen	.....	.0028	.....	.....
Lebanon.....	Piastre	.....	.4561	.....	.....
Mexico.....	Peso	.....	.1157	.1273	.1273
Netherlands.....	Florin	.....	.3769	.2895	.2895
Netherlands Antilles.....	Florin	.....	.5308	.5833	.5833
New Zealand.....	Pound	.....	4.0150	3.0800	3.0800
Nicaragua.....	Cordoba	.....	.2000	.2200	.2200
Norway.....	Krone	.....	.2015	.1540	.1540
Pakistan.....	Rupee	.....	.3022	.3325	.3325
Panama.....	Balboa	.....	1.0000	1.1000	1.1000
Paraguay.....	Guarani	.....	.3200	.....	.....
Peru.....	Sol	.....	.1538	.0707	.0707
Philippines.....	Peso	.....	.4975	.5500	.5500
Portugal and Colonies.....	Escudo	.....	.0400	.0385	.0385
Singapore.....	Straits Dollar	.....	.4702	.3593	.3593
Spain and Colonies.....	Peseta	.....	.0916	.1008	.1008
Sweden.....	Krona	.....	.2783	.2126	.2126
Switzerland.....	Franc	.....	.2335	.2538	.2538
Thailand.....	Baht	.....	.1000	.....	.....
Turkey.....	Lira	.....	.3571	.3911	.3911
Union of South Africa.....	Pound	.....	4.0300	3.0800	3.0800
United Kingdom.....	Pound	.....	4.0300	3.0800	3.0800
United States.....	Dollar	.....	1.0000	1.1000	1.1000
Uruguay.....	Peso	Controlled	.6533	.7241	.7241
Venezuela.....	Bolivar	.....	.2985	.3289	.3289
Yugoslavia.....	Dinar	.....	.0200	.....	.....

Trade Publications Available

ABC of Canadian Export Trade

Prepared by Export Division, Foreign Trade Service. Obtainable from King's Printer, Government Printing Bureau, Ottawa, for 25 cents a copy in Canada and 50 cents for delivery abroad.

Canada—Butcher, Baker, Grocer—Second Edition

Brochure, illustrating the extent to which foodstuffs are being shipped to the United Kingdom, prepared for distribution to provision trade in United Kingdom. Obtainable from Publicity Division, Foreign Trade Service, Ottawa.

Canada Produces—Second Edition

Brochure, illustrating productive capacity of Canada, prepared for distribution at British Industries Fair, in London, and by trade commissioners in their respective territories. Obtainable from King's Printer, Government Printing Bureau, Ottawa, for 25 cents.

Canadians as Consumers

Brochure, illustrating market opportunities in Canada, prepared for distribution at British Industries Fair, in London, and by trade commissioners in their respective territories. Obtainable from King's Printer, Government Printing Bureau, Ottawa, for 25 cents.

Canadian Export Timbers

Brochure, illustrating and describing Canadian woods available for export, prepared for distribution at Building Trades Exhibition, in Manchester, England. Obtainable from Publicity Division, Foreign Trade Service, Ottawa.

Canadian Furs

Brochure, pertaining primarily to ranched furs, prepared for distribution at the Milan International Trade Fair. Obtainable from King's Printer, Government Printing Bureau, Ottawa, for 10 cents.

Canadian Certified Seed Potatoes

Folder, illustrating varieties most suitable for shipment to other countries, prepared for distribution abroad in an effort to stimulate export sale of seed potatoes. Obtainable from Publicity Division, Foreign Trade Service, Ottawa.

Reprints of Economic Reviews

Reports on the following countries, reproduced originally in the *Commercial Intelligence Journal* and *Foreign Trade*: Argentina, British West Indies and British Guiana, French North Africa, India, Iran, Mexico, New Zealand. Obtainable from Publicity Division, Foreign Trade Service, Ottawa.

Reprints of Special Articles

Articles on the following subjects, published in *Foreign Trade*, have been reprinted in pamphlet form, and may be obtained from the Publicity Division, Foreign Trade Service, Ottawa:

- Assistance Available from Trade Commissioners
- Branch Plant Expansion Encouraged
- Canadian Port Facilities Aid Foreign Trade
- Canadian Toy Industry—Second Edition
- European Recovery Program Related to Canadian Economy
- Import Control of Capital Goods Under Emergency Act
- Influence of Geography on Import Trade
- Production of Sports Equipment in Canada

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